

CORNWALL HOSPICE CARE LIMITED

England & Wales · Charity number 1113140

Details

Other names CORNWALL HOSPICE CARE, Cornwall Hospice

Status Registered

Legal form Charitable company

Company number [05660401](#)

Registered 2006-03-02

Register [View on the Charity Commission register](#)

Contact

Address Mount Edgcumbe Hospice
Porthpean Road
St. Austell
PL26 6AB

Phone 0172665711

Email whood1@cornwallhospice.co.uk

Website www.cornwallhospice.org

Activities

Objects: THE HELP AND RELIEF OF PEOPLE SUFFERING FROM CANCER AND OTHER LIFE THREATENING ILLNESSES AND THE PROVISION AND PROMOTION OF SPECIALIST AND PALLIATIVE CARE.

Activities: Cornwall Hospice Care provides help and relief to people suffering from cancer and other life threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly. The charity achieves this by providing In Patient and Out Patient specialist palliative care at its two hospices, Mount Edgcumbe Hospice, St Austell and St Julia's Hospice, Hayle

Classification

- **How:** Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** People With Disabilities

Geography

- **Area of benefit:** NOT DEFINED, IN PRACTICE CORNWALL
- Cornwall

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£13,443,098	£12,977,152	£11,924,877	270
2024-03-31	£11,777,084	£11,690,756	£11,571,378	274
2023-03-31	£12,523,198	£11,078,920	£11,283,224	259
2022-03-31	£10,375,265	£10,321,100	£10,089,986	249
2021-03-31	£9,669,584	£10,141,865	£9,085,599	269

Trustees

Name	Role	Appointed
Dominique Roberts		2022-06-27
Dr Colin John Philip		2017-03-16
Graham Piercy		2018-09-27
Lesley Jane Stubberfield		2018-06-14
Martin John Davis		2023-06-15
Nikki Thomas		2025-06-25
Sharon Bamford		2022-03-17
Susan Mary Godzicz		2020-10-01

CORNWALL HOSPICE CARE LIMITED

England & Wales - Charity number 1113140

Accounts

**Cornwall Hospice Care Limited
(Limited by guarantee)**

**Report of the Members of the Board and
financial statements**

For the year ended 31 March 2025

Company registration number 05660401

Charity registration number 1113140

Cornwall Hospice Care Limited (Limited by Guarantee)

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Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2025 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Highlights of the Year

Patient Care

We continue to be regulated by the Care Quality Commission (CQC). No inspections were made during the financial year, the most recent being St Julia's Hospice in August 2022 and Mount Edgcumbe Hospice in December 2022. Both inspections were incredibly thorough, with positive feedback from the CQC received and we were delighted with the CQC's ratings, with St Julia's being rated as Good and Mount Edgcumbe being rated as Outstanding.

During the year admission numbers decreased as have the number of patients discharged, which links to the small reduction in occupied bed days. The complexity of conditions with patients also plays a major part in this figure, with their needs impacting upon their length of stay. We also suffered a number of staffing issues in terms of sickness and absence over the winter, which also impacted our ability to run at full capacity.

We have continued to provide 20 beds, ten at each of our hospice in-patient units, while also maintaining our important lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall.

Our lymphoedema service remarkably held the exact same number of appointments compared to last year, highlighting its consistent and important need and our community services have continued to grow with a substantial and positive increase in our Listening Ear service. The Redruth Hub which we opened in March 2023, located in our Bargain Outlet, offers outpatient therapy appointments, living well workshops and activities aimed at encouraging patients to plan for their future. This continues to be well received with a positive increase in the number of patients seen.

Patient Care	2023/24	2024/25
Number of patients admitted	387	357
Number of patients discharged	134	129
Occupied bed days	5,165	4,995
Listening Ear - support calls	563	840
Lymphoedema appointments	1,727	1,727
Advice Line calls	1,221	1,111
Hub patients seen	169	187

Patient Satisfaction

Feedback, good and bad, is vitally important for us as it allows us to make improvements where they may be needed. In the last year we received 1 complaint, a reduction of 4 compared to the previous year. 2 concerns were also raised. All parties involved have been communicated with, investigations undertaken when required and learning implemented into practice, where needed.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Compliments

During 2024/25 we received 100 thank you cards and 168 responses to our friends and family feedback. Comments left by patients and families are anonymised and reported to the Clinical Governance Committee and summaries are also made available for staff to read.

During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

Finance

Our financial performance in the year was extremely positive, much more so than expected. An overall surplus result of just over £353k was recorded which surpasses the initial surplus budget for the year of £161k.

A surplus of £466k was generated from our operations, which has then been decreased by losses on investments during the year, meaning an overall surplus result of just under £354k is reported. Our reserves remain in a strong position, following the previous three financial years, which saw good performance, and exceptional legacy receipts. They now stand at £11.9m.

Our total income was £13.4m, representing a rise of 14% over the prior year, and a 4% excess versus budget. Donation income is the main contributor to the increase in the current year, due to a much appreciated, one off major donation in excess of £1m. Legacy income although generally in line with 2023/24 levels, did experience a shortfall to budget of £0.8m. Delays remain within our portfolio, which appears common across the sector, ranging from contentious estates to just complex property sales involved within them. Any delayed receipts though, now form part of the 2025/26 budgeted income.

The key areas of income growth during 2024/25 remain within Retail and Lottery, increasing by 3% and 13% respectively. Fundraising fell by 1% which in a really tough environment is encouraging.

Expenditure has continued to be carefully managed during the year and finished in line with budget. However, inflationary pressures in staff costs, fuel and general supplies have meant a 11% increase in overall expenditure compared to the prior year and will only increase further in the coming year, particularly due to the changes to Employer National Insurance contributions.

Fundraising & lottery

Fundraising performance was positive with growth in terms of income versus the prior year, falling short of its budgeted contribution by 1%. Lottery missed its budgeted contribution by £19k, although this in turn was due to expense incurred at the end of the year in relation to an updated pricing and prize structure, implemented early in the new financial year. In terms of income alone, this grew, as per previous years, demonstrating the benefit of our sustained canvassing.

The strongest income stream within the Lottery team, remained weekly draw tickets, which achieved income of £858k. Although this was £15k behind budget, it represents growth of 11% on the prior year. Bumper draw ticket sales again saw an upturn, finishing £2k ahead of budget and growth of 12% compared to 2023/24.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Continuing from 2023/24, the strongest fundraising income stream was in the Community. £319k was received, beating budget by £65k, a really positive result. Donations saw a significant increase on the prior year of 56%, achieving income of £283k. This income stream includes one off, regular and major donations. This figure though excludes the significant, one-off donation in excess of £1m as it would distort comparative performance. In memory donations saw a minor decrease of £10k or 4% compared to the prior year, achieving income of £230k.

Trust and grants income raised £255k. During the year we were fortunate to receive capital grants of £161k from Hospice Uk on behalf of the Department for Health and Social Care in relation to capital improvements and £94k from the Local Authority in respect of solar and insulation installations at both of our clinical sites, which were completed in the Autumn of 2024.

Lastly, gifts in Wills contributed £2.4m to our care in the year.

To everyone who has supported us, thank you. Without you, we would not be able to provide peace, comfort and calm when someone is nearing the end of their life.

Retail

Our network of shops, again, has enjoyed a very successful year delivering a contribution to the cost of care of over £1.6m. Our donation centre model which we introduced in 2021 continues and remains as successful as ever. More than 1,000 cars per week visited the centres during the year and over 1.1million items of donated stock were sold. The number of shops operated remained constant during the year with thirty in operation, maintaining our presence in all major towns of the county.

Sustainability remains as one of our key ambitions and by continuing to work closely with our recycling partners we have sought to reduce our environmental impact, working hard to ensure the maximum number of the goods donated to us are found a useful purpose and are kept away from landfill. The quality of donations received remains a challenge, with 40% being saleable (2023/24 40%). This has led to an increased recycled output, and adjusting our messaging to the public, highlighting the importance of good quality donations.

Around 70 employees work in the retail business, and these have ably been supported by close to 1,100 volunteers during the year. The volunteer team have become ever more critical to the success that the division has enjoyed in recent times, and the charity remains very grateful for their contributions.

In October 2024, we hosted a remarkable fashion show dedicated to celebrating second hand fashion at Truro Cathedral. This inspiring event showcased models who were our very own staff and volunteers, highlighting a vibrant sense of team spirit and community. The fashion lines displayed a creative fusion of high-end style with affordability and looked at transforming old items into new, stylish pieces. This event not only promoted sustainable fashion but also underscored the importance of collaboration and creativity in redefining modern fashion trends.

Our People

The average number of staff employed across the organisation has decreased slightly from 274 to 270 full and part time permanent employees during the year. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has grown significantly over the past few years and currently stands at over to 1,300.

The over-arching aim of our people strategy remains to be an 'Employer of Choice' for Cornwall with this being delivered by;

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care. We continue to be a Real Living Wage employer with all employees receiving a basic hourly rate of pay of at least £12.60 from the beginning of 2024/25.

Gender Pay

The key measures from our gender pay report are set out below:

- A Mean gender pay gap of (plus) – 6.7%
- A Median gender pay gap of 0%

Our Purpose and Values

These were developed with input from trustees, staff and volunteers during 2022/23 to form our new strategy for the period 2023-28. These were launched during April 2023 and have been well received across the Charity. The strategy is now at the end of its second year and is monitored by the trustees and Executive team. Progress reports are submitted for Board review as part of this process to demonstrate what has been achieved or is being worked towards.

Purpose

Our Purpose is to provide compassionate, specialised end of life care for patients, their families and carers whilst guaranteeing our high quality standards. Together with our local community in Cornwall we will continue to make every day matter.

Values

We'll work together to achieve our purpose by following our values, which are:

- **Compassion** – the quality of being gentle, kind, caring and helpful.
- **Integrity** – being honest and having strong moral principles.
- **Togetherness** – valuing everyone who works or volunteers for our charity or uses our services, giving us all the information tools, independence and freedom to achieve.

Structure, governance and management

Status

The charity was incorporated on 21 December 2005, the company registration number is 05660401 and it is also a registered charity, registration number 1113140.

Governing document

The charity's governing document is its Memorandum and Articles of Association.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 15 members and there are five sub-committees.

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings were all held quarterly. All trustees have continued to be invited to attend all Committee meetings. Actual attendance levels have remained high for all Committees.

Members of the Board

The following were members of the Board during the year and since year end:

Mr D W Renwick (Chair)	Dr S Gupta - Resigned 21 May 2024
Mrs S M Godzicz	Dr S Hawkins - Resigned 20 March 2025
Dr C J Philip	Mr A C Naylor
Mr G Piercey	Mrs D M R Roberts
Mrs S M Bamford	Mrs L J Stubberfield
Mr A Bassett - Appointed 20 March 2025	Mr D Thomas
Mrs L A Clarke	Mr A J Whyte
Mr M J Davis	

Mr Renwick, Mrs Godzicz and Mr Piercey also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Board Committees

There are five sub- committees of the Board. Membership of these Committees during the year is set out below:

Clinical Services Committee	Finance Committee	Income Generation Committee	Governance Committee	Remuneration Committee
Dr C J Philip (Chair)	Mrs S M Godzicz (Chair)	Mr G Piercey (Chair)	Mr D W Renwick (Chair)	Mr D W Renwick
Mr M J Davis	Mr A Bassett	Mrs L Clarke	Mrs S M Godzicz	Mrs S M Godzicz
Dr S Gupta	Mrs S M Bamford	Mr D Thomas	Dr S Hawkins	Dr C J Philip
Dr S Hawkins	Mr A C Naylor	Mr D W Renwick	Dr C J Philip	Mr G Piercey
Mr D W Renwick	Mr D W Renwick		Mr G Piercey	
Mrs D M R Roberts	Mr A J Whyte		Mrs L J Stubberfield	
Mrs L J Stubberfield				

The table represents core membership only, but trustees are encouraged to attend any committee meeting should they so wish.

Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

Executive Officers

Chief Executive: Paul Brinsley

Director of Clinical Services: Sarah Machin

Director of Finance and Resource & Company Secretary: Will Hood

Director of Income Generation: Frazer Hopkins

Principal address and registered office

Mount Edgumbe Hospice,
Porthpean Road
St Austell
Cornwall
PL26 6AB

www.cornwallhospicecare.co.uk

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Advisers

Solicitors: **Michelmores LLP**
Woodwater House
Pynes Hill
Exeter, EX2 5WR

Auditors: **RRL LLP**
Peat House
Newham Road
Truro, TR1 2DP

Investments: **LGT**
14 Cornhill, London
EC3V 3NR

Bankers: **Barclays Bank PLC**
14 King Street
Truro, TR1 2RB

RBC Brewin Dolphin
Vantage Point
Woodwater Park
Pynes Hill
Exeter, EX2 5FD

Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Details of transactions with those parties are included in note 14 of the financial statements.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Report of the Chair

Over the past year, we have continued to make every day matter, in what has been a period of significant growth and unwavering dedication. Our commitment to providing free and compassionate care to the people of Cornwall, when they need it most has remained steadfast, and continues to be at the heart of everything we do.

Our twenty beds have remained open throughout the year, and our services operated effectively throughout. I would like to thank all our staff and volunteers for their excellent work and commitment which have allowed us to deliver some fantastic results both clinically and financially.

We have maintained our excellent lymphoedema clinics, which remarkably held the exact same number of appointments as the previous year, our outstanding range of community services continue to reach significant numbers, plus our first-class education programmes have been ever popular.

Growth has been represented across many areas of the Charity from increasing volunteer numbers to rising financial returns within key income streams. Financial growth this year has been boosted by the fantastic receipt of a one-off major donation, as well as record beating results across our Retail and Lottery teams. The growth achieved over the past few years has allowed us to build a strong position in terms of our financial resilience, which has now allowed the Board to commit fully to our Fit for the Future Project.

Work began during the year with the award of a Net Zero grant from our local authority, which enabled the installation of a new photovoltaic (PV) system at Mount Edgcumbe Hospice, as well as an extension of the existing system at St Julia's Hospice. The grant also funded full roof insulation upgrades at both sites, with all works completed in Autumn 2024. After much planning, the next phase of development began in May 2025: a £1.3m capital project at Mount Edgcumbe Hospice. This ambitious initiative includes the creation of a brand-new therapies' hub, the transformation of our two four-bedded wards into private, single en-suite rooms, and the development of a new, dedicated crisis intervention suite. This new suite will provide emergency care for individuals in acute need, offering up to 48 hours of support to manage symptoms before patients either return home, are admitted to our care, or are transferred to an appropriate onward facility. Project completion is expected in March 2026, and we are all eager to see the lasting impact these improvements will have for those we serve.

During the year, we made one new appointment to the Board, welcoming Anthony Basset in March 2025. Anthony has since joined the Finance Committee and brings with him valuable expertise. Two members of the Clinical Services Committee stepped down from the Board in May 2024 and March 2025, respectively. I would like to extend my sincere thanks to both for their contributions to the charity during their time with us. I am also pleased to report that, following the year end, we appointed Nikki Thomas to the Board in May 2025. Nikki will serve as a member of the Clinical Services Committee, and we look forward to the insight and experience she brings.

Finally, as always, I would like to thank my fellow trustees for their dedication, contributions, and enthusiasm over the past year. I look forward to this continuing in the year ahead, which will be my last as Chair with my commitment ending in November. As I reflect on the past nine years on the Board, I am filled with a deep sense of pride and gratitude. It has been a privilege to serve during a period of significant growth, challenge, and transformation. Together, we have navigated change, strengthened our governance, and remained committed to our purpose and core values. I have been continually inspired by the dedication of my fellow trustees, the hard work of our staff and volunteers, and the support of our wider community. While there have been challenges along the way, the collective achievements of the charity over this time stand as a testament to what we can accomplish through collaboration and togetherness.

David Renwick, Chair of Trustees

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgcumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our lymphoedema service supporting patients
- Our community services providing outpatient services to patients and bereavement support to patients, carers and families.

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

Public benefit

The members of the Board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the members of the Board consider how planned activities will contribute to the aims and objectives set.

Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has again been a very positive one during which we have been able to maintain bed numbers across the two hospices at 20 as well as begin our exciting Fit for the Future project. The commencement of which underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us.

The development through our Community Services team of Neighbourhood Hub support clinics has shown positive growth this year as well as our Listening Ear service. We plan to increase our awareness of the charity over the coming year, demonstrating our purpose and the vast array of services we offer, in order to maximise the number of people who can benefit and be reassured that we are there to support them, in their time of need.

I am constantly humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standards. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration and without their kindness we could not sustain our services that ensure our community are provided with essential end of life care.

Paul Brinsley, Chief Executive

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Our Ambitions 2023-2028

Our agreed ambitions for the period to up to March 2025 are set out below.

Our Ambitions

1. Work in partnership to grow our charity for the future, ensuring close working relationships across all our departments, we will also continue to work collaboratively with our external partners.
2. Develop our learning and education to ensure all our staff and volunteers and where relevant, those from our external partners have the knowledge, skills and competencies to fulfil their roles.
3. Raise sufficient funds to protect and grow our hospice services through a range of income generation activities.
4. Work towards lowering our environmental impact by implementing, where possible, sustainable systems and processes in all areas of the charity's operations.
5. Be innovative in our own individual areas, teams and across the charity to deliver continuous improvement in all we do.

Progress made during 2024/25

1. Work in partnership to develop community services to meet identified needs

There is now a nurse led multi-disciplinary approach admission process in place across both of our Hospice sites.

During the year, our hospices have continued to strengthen partnerships with colleagues across the NHS, independent, and voluntary sectors. These collaborative efforts are central to delivering a seamless, integrated service that places patients and their families at the heart of care. This area of work remains a strategic priority, and we are committed to improving our own input towards this and look to maximise any collaboration opportunities in order to assist ongoing improvement across the whole system of palliative and end of life care.

Our Community Services Team has also seen significant development over the past year. We have expanded our services and extended our geographical reach. In particular, we have increased the provision of practical support, with a strong focus on meeting the needs of patients under our care and providing specialist bereavement support to their families

2. Develop our learning and education

The Education department has been providing face to face clinical skills training to help staff gain competency in areas that are not used frequently on the ward. They have also continued to deliver external training to other healthcare staff to ensure care settings have palliative training as an option. We also began to implement Resilient Based Clinical Supervision to support staff, with training being delivered in two phases. The first in relation to clinical staff and the second to non-clinical, patient and family/carer staff, including reception volunteers, catering, facilities, fundraising and marketing.

Over the past year internal development has broadened the education offer, resulting in a 90% increase in attendee numbers of internal face to face sessions, with a total of 1,345 attendees recorded. New sessions were launched during the year including "Knowing What to Say" for retail staff as well as Clinical Skills workshops for both Healthcare Assistants and Healthcare Professionals.

3. Ensure the charity is fit for the future

We successfully installed a new photovoltaic system at Mount Edgcumbe Hospice as well as an addition to the existing system at St Julia's Hospice as well as full roof insulation projects at both sites. This was following the receipt of a grant from the Local Authority covering 50% of the project

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

costs and will allow us to generate and utilise our own energy, reducing our reliance on the National Grid, plus assist with our sustainability ambition in terms of reducing our carbon footprint.

During the year, plans also progressed further regarding works at Mount Edgcumbe Hospice to help meet the future needs of our patients. A full tender exercise to identify the principal contractor was completed in March 2025, with final agreement to proceed with the project from the Board, given in April 2025.

Priorities for 2025/26

1. Continue to future proof our Hospice buildings and systems

- We will improve privacy and dignity at our Mount Edgcumbe Hospice, with a project which commenced in May 2025, around the modernisation of our bed bays, transforming them into single patient bedrooms, allowing us to deliver more dedicated, specialist palliative nursing care to more people in our community. The project also includes a brand-new crisis intervention suite which will provide emergency palliative care for our Cornish community. In addition, there will also be a new patient entrance and clinical therapies hub, which will bring all of our support services together.



- We will continue to progress the work with digitalisation of systems that work collaboratively with our local health services, including the implementation of an automated patient record system.

2. Ensuring continuation of a collaborative approach to enhance system wide knowledge and reach around end of life care.

- As well as maintaining our inpatient beds, we will continue to work with our NHS, independent and charity sector colleagues with the view to developing a system wide, seamless service, that centres around the patient and their family.
- We will continue with our vision to provide end of life education across the county, helping to ensure that staff at all levels, and in multiple settings are well equipped with the communication and listening skills required.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Risk Management and Internal Control

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping key internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed at each meeting by the Board.

The key strategic risks monitored during the year included a failure in our care and the risks to funding caused by staff and volunteer shortages across our income generation activities. The Board has set a risk framework and categorises risks by impact and likelihood and the necessary level of management or mitigation. The Board has also reviewed and agreed our risk appetite.

Going concern basis of accounting and long-term viability

The Directors carried out a review of the company's operating budget and cash flow projection for the coming year 2025/26 along with its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

The Directors also monitor closely future expectation for legacy income, which continues to be supported by a strong pipeline. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the Executive Team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

An overall surplus result of £353k was recorded in the period compared to a budgeted surplus of £161k and also represents an increase of £65k compared to the previous years result.

Our income generation teams have had a solid year, with Retail and Lottery in particular performing above expectations and exceeding budget.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The financial performance is summarised in the table below:

Financial Summary £'000	2023/24	2024/25
Total Income	11,777.1	13,443.1
Total Expenditure	11,690.8	12,977.2
Operating Result	86.3	465.9
Gain/(Loss) on Investments & Property	200.2	(112.4)
Gain/(Loss) on Disposal of Fixed Assets	1.7	-
Surplus/(Deficit)	288.2	353.5

Income

The table below sets out a summary of income as recorded in our management accounts for the year and included in the notes to the financial statements.

The total income earned in the year stood at £13.4m which was £0.6m (4%) above budget and £2m (14%) above the prior year. This is primarily because of a one-off major donation which we were very fortunate to receive during the year. Legacy income was relatively consistent with the prior year, with our pipeline remaining strong for the years ahead. Record levels of income from Retail and Lottery were also achieved, being testament to our offering and the efforts of the teams involved within each.

Fundraising income exceeded budget for the year, as well as showing growth on the prior year of £52k or 8% and we also saw pleasing growth within investment and other income.

Income Summary £'000	2023/24	2024/25
Legacies	2,761.8	2,437.2
Donations	422.0	1,853.9
Grants	49.7	211.1
Fundraising	738.2	734.0
Gross Income from Retail	5,366.1	5,514.1
Gross Income from Lottery	852.4	958.9
Income from Clinical Contracts	1,158.1	1,158.0
Investment Income	231.6	256.5
Other	197.2	319.4
Total Income	11,777.1	13,443.1

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Expenditure

Total expenditure for the year was £13.0m, which was in line with budget but representing growth of £1.3m (11%) compared to last year. The growth in expenditure was expected as a result of inflationary pressures, particularly on staff and general operating costs.

The table below sets out the summary of expenditure incurred.

Expenditure Summary £'000	2023/24	2024/25
Retail	3,698.9	3,898.2
Lottery	379.4	448.0
Cost of Raising Funds	596.1	668.7
Provision of Care	6,875.3	7,814.4
Support Costs	141.1	147.9
Total Expenditure	11,690.8	12,977.2

Gain on investments

The value of the hospice listed investment portfolio decreased by £112k, during the year which was disappointing given the position last year was a healthy gain of £200k. Markets particularly experienced volatility during the final quarter of the financial year but our agreed risk profile mitigated that effect as well as possible and we remained steadfast in our approach to think longer term. Positively, growth has since returned in the new financial year to date.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

Reserves policy

The Board through the Finance Committee review the reserves policy bi-annually. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision continues to bring uncertainty, but this was mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate, the increasing cost of living and ever-growing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

Financial Resilience

Total free reserves of £6.6m were held by the charity at 31st March 2025. This comprises a general reserve equating to 6 months running costs, which the Trustees believe it is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

It is also worth identifying here that Note 29 details legal operating lease commitments within 5 years of £3.2m (2024: £3.4m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short- and medium-term expenditure, which it recognises may not be covered by a guaranteed income stream.

Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way.

The majority of the work is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

Executive Remuneration

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, the Director of Clinical Services, the Director of Finance and Resources and the Director of Income Generation. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Investment policy and objectives

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by LGT and Brewin Dolphin.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year exceeded the Board's stated minimum requirement.

The charity also owns three properties, other than the hospice buildings. Two of these are used for our own retail operation. The other is rented to a third party to produce an income stream and we also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements. During the year we have continued to utilise the Insignis treasury management facility.

Employment of Disabled Persons

Cornwall Hospice Care is committed to providing equal opportunities for all employees, including those with disabilities. We recognise the value of a diverse workforce and actively seek to create an inclusive environment where individuals can thrive and contribute to the success of the charity. Disabled persons are given equal consideration in recruitment, training and career development with reasonable adjustments made to accommodate their needs to ensure roles can be performed effectively. Where existing employees become disabled during their employment, we are dedicated to supporting their continued employment through workplace adaptations, retraining and other necessary adjustments.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

All employees including those with disabilities have equal access to career opportunities and are treated with dignity and respect.

Our policies and practices are regularly reviewed to promote inclusivity and remove any barriers to equal participation in the workplace.

Employee Engagement

We believe that our employees are one of our most valuable assets and are committed to fostering a culture of engagement, collaboration and mutual respect, where every person feels valued and empowered.

We aim to maintain an open and transparent work environment where employees are encouraged to share ideas, feedback and concerns. This can be done via many channels including consultations, workshops and working groups as well as via our Freedom to Speak Up Guardians.

Investing in the development and well-being of our employees is a key priority and is addressed by encouraging professional growth opportunities, both internally and externally through learning and development as well as the provision of an employee assistance programme and flexible working opportunities.

Our impact on the environment

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- We successfully secured local grant funding for insulation and solar projects at both hospice sites. The projects were completed in Autumn 2024, and we are now beginning to see the benefits including, improved energy efficiency across both sites, reduced utility costs and a smaller carbon footprint.
- In October 2024, we hosted a remarkable fashion show dedicated to celebrating second hand fashion at Truro Cathedral. This inspiring event showcased models who were our very own staff and volunteers, highlighting a vibrant sense of team spirit and community. The fashion lines displayed a creative fusion of high-end style with affordability and looked at transforming old items into new, stylish pieces.
- Continued with only providing reused bags or our own paper bags throughout our retail network and not shrink wrapping furniture prior to delivery
- We have continued to promote the of awareness strategies across the organisation which are aimed at reducing power wastage.

Tax status

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

Accounting and reporting responsibilities of the Board

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. 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 Charities SORP 2019 (FRS 102)
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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 group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

Porthpean Road
St Austell
Cornwall

DW Renwick
Director

6 November 2025

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to safeguarding, health and safety and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Our audit approach also considered the opportunities and incentives that may exist within the charitable company for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Undertaking transactional testing on legacy income which specifically considers whether recognition is in line with the requirements of the accounting standards
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

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

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

Use of our report

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

Josh Stevens ACA
Senior Statutory Auditor
For and on behalf of RRL LLP
Statutory Auditors

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

27 November 2025

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated statement of financial activities

For the year ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income					
Voluntary	4	3,213,520	1,288,616	4,502,136	3,183,818
Income from Charitable Activities	5	1,158,027	-	1,158,027	1,158,109
Income from Other Trading Activities:					
Commercial trading operations	6	6,473,060	-	6,473,060	6,218,469
Fundraising	6	733,987	-	733,987	787,922
Other income	6	319,428	-	319,428	197,202
Investment income	7	256,460	-	256,460	231,564
Total Income		12,154,482	1,288,616	13,443,098	11,777,084
Expenditure					
Expenditure on raising funds					
Commercial trading activities		4,339,838	-	4,339,838	4,078,326
Costs of generating donations and legacies		645,704	-	645,704	567,070
Investment portfolio fees		29,755	-	29,755	29,032
Expenditure on charitable activities					
Provision of care		6,901,127	912,803	7,813,930	6,875,269
Support costs		147,925	-	147,925	141,059
Total Expenditure	8	12,064,349	912,803	12,977,152	11,690,756
Net (losses)/gains on investments		(112,447)	-	(112,447)	200,159
Net (expenditure) /income		(22,314)	375,813	353,499	286,487
Other recognised gains and losses					
Gain on disposal of fixed assets		-	-	-	1,667
Net movement in funds		(22,314)	375,813	353,499	288,154
Reconciliation of funds:					
Fund balances brought forward		10,854,987	716,391	11,571,378	11,283,224
Fund balances carried forward	26,27,28	10,832,673	1,092,204	11,924,877	11,571,378

Cornwall Hospice Care Limited (Limited by Guarantee)

Balance sheet

As at 31 March 2025

	Notes	The Company 2025 £	The Group 2025 £	The Company 2024 £	The Group 2024 £
Fixed assets					
Tangible assets	17,18	3,898,928	3,898,928	4,017,817	4,022,217
Investments	19	5,392,602	5,392,597	4,874,211	4,874,206
		<u>9,291,530</u>	<u>9,291,525</u>	<u>8,892,028</u>	<u>8,896,423</u>
Current assets					
Stock	20	12,370	71,915	12,370	78,356
Debtors	21	1,246,057	1,119,255	1,375,697	1,381,416
Cash at bank and in hand		2,144,562	2,405,638	2,107,289	2,208,473
		<u>3,402,989</u>	<u>3,596,808</u>	<u>3,495,356</u>	<u>3,668,245</u>
Creditors: amounts falling due within one year	22	<u>(1,257,466)</u>	<u>(914,456)</u>	<u>(1,358,472)</u>	<u>(993,290)</u>
Net current assets		<u>2,145,523</u>	<u>2,682,352</u>	<u>2,136,884</u>	<u>2,674,955</u>
Provision for liabilities	25	<u>(49,000)</u>	<u>(49,000)</u>	-	-
Total net assets		<u>11,388,053</u>	<u>11,924,877</u>	<u>11,028,912</u>	<u>11,571,378</u>
The funds of the charity					
Restricted funds	26	1,092,204	1,092,204	716,391	716,391
Unrestricted funds	27	10,295,849	10,832,673	10,312,521	10,854,987
Total funds		<u>11,388,053</u>	<u>11,924,877</u>	<u>11,028,912</u>	<u>11,571,378</u>

These financial statements were approved by the Members of the Board on 6 November 2025 and were signed on its behalf by:

DW Renwick
Director

Company registration no.: 05660401

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated cash flow statement

For the year ended 31 March 2025

	<i>Note</i>	2025	2024
		£	£
Cash (used in) / provided by operating Activities	33	953,804	(783,990)
Cash flows from investing activities			
Interest income		140,550	118,212
Dividends income		90,110	88,602
Rental income from investment property		25,800	24,750
		<hr/>	<hr/>
		256,460	231,564
Purchase of tangible fixed assets		(382,260)	(156,244)
Purchase of investments		(1,894,170)	(3,406,996)
Receipts from sale of tangible assets		-	1,667
Receipts from sale of investments		1,263,332	3,346,227
		<hr/>	<hr/>
Net cash (outflows) from investing activities		(1,013,099)	(215,346)
		<hr/>	<hr/>
(Decrease) / increase in cash equivalents		197,165	(767,772)
Cash and cash equivalents at 1 April 2024		2,208,473	2,976,245
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2025		2,405,638	2,208,473
		<hr/> <hr/>	<hr/> <hr/>

All of the cash flows are derived from continuing operations during the above two periods.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 13 members at 31 March 2025 (2024: 13). The registered office is recorded in the Trustees' report.

2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited on a line by line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

3 Accounting policies

3.1 Accounting convention

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

Cornwall Hospice Care Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of the group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 "Statement of Cash Flows: Presentation of a statement of cashflow and related notes and disclosures.

3.2 Going concern

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

3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.4 **Fixed asset investments**

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

3.5 **Finance leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Vehicles are leased, with a lease term of one to five years. Leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased assets are available for use. The right-of-use asset is included within Motor vehicles in the Tangible fixed assets note. The right-of-use assets are measured at cost comprising the following the amount of the initial measurement of the lease and any lease payments made at or before the commencement date less any lease incentive received.

The lease payments are discounted using the interest rate implicit in the lease. The right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

3.6 **Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

3.7 **Stocks**

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical

3.8 **Income**

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

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of legacy income, in whole or in part, is only made when probate has been granted, the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

3.9 **Expenditure**

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.10 *Investment properties*

In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

3.11 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

3.12 *Termination payments*

Termination payments are recognised as an expense when the company is demonstrably committed to terminating the employment of affected employees.

3.13 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

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

3.14 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

3.15 *Judgements and key sources of estimation uncertainty*

In the application of the group'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.

3.16 *Employee benefits*

The costs of short-term employee benefits are recognised as a liability and an expense.

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

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

4 Voluntary

	Unrestricted funds £	Restricted funds £	Total 2025 £	2024 £
Legacies	1,975,026	462,169	2,437,195	2,761,802
Donations	1,238,494	570,963	1,809,457	422,016
Grants	-	255,484	255,484	-
	<u>3,213,520</u>	<u>1,288,616</u>	<u>4,502,136</u>	<u>3,183,818</u>

Included in the above grants are the following government grants:

Department of Health and Social Care – grants have been received during the year totalling £161,546 (2024: £nil) for capital improvements.

Cornwall Council – grants have been received during the year totalling £93,938 (£nil) for solar and insulation projects.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

5 Income from charitable activities

	2025 £	2024 £
Health authority contract	<u>1,158,027</u>	<u>1,158,109</u>

6 Income from other trading activities

Commercial operations

	2025 £	2024 £
Gross Income from shops	5,514,194	5,366,080
Gross Income from Lottery	958,866	852,389
	<u>6,473,060</u>	<u>6,218,469</u>

Fundraising

	2025 £	2024 £
Fundraising activities	733,987	738,261
	<u>733,987</u>	<u>787,922</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Other income

	2025	2024
	£	£
Clinical income - education	181,080	149,165
Clinical income - meals	32,986	27,091
Clinical income - other	105,362	20,946
	<hr/> 319,428 <hr/>	<hr/> 197,202 <hr/>

7 Investment income

	Group	Group
	2025	2024
	£	£
Property	25,800	24,750
Bank interest	90,110	118,212
Listed investments	140,550	88,602
	<hr/> 256,460 <hr/>	<hr/> 231,564 <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

8 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2025 Total £	2024 Total £
Staff costs	6,487,372	405,779	2,120,023	39,566	9,052,740	8,213,529
Patient care	51,118	-	-	-	51,118	61,304
Medical supplies & drugs	69,748	-	-	-	69,748	78,979
Catering & domestic supplies	72,591	-	-	-	72,591	73,829
Travel expenses	25,849	-	-	-	25,849	22,791
Training & education	38,721	-	-	-	38,721	35,031
Laundry	19,896	-	-	-	19,896	19,633
Electricity & Gas	101,715	-	-	-	101,715	118,222
Telephone	60,814	-	-	-	60,814	54,330
Rates and water	21,867	-	-	-	21,867	15,012
Uniforms	3,754	-	-	-	3,754	5,853
Printing, Postage and stationery	52,890	-	15,715	-	68,605	56,965
Insurance	51,605	-	-	-	51,605	46,480
Repairs and maintenance	188,046	-	-	-	188,046	150,829
Depreciation	197,896	-	77,653	-	275,549	278,937
Impairment	230,000	-	-	-	230,000	230,000
Direct fundraising costs	-	79,337	-	-	79,337	122,176
Department fundraising costs	-	71,025	-	-	71,025	73,698
Banking charges	-	37,087	35,526	-	72,613	61,497
Administration charge	140,048	17,733	128,619	-	286,400	262,933
Audit and accountancy	-	-	-	23,373	23,373	18,481
Legal and professional fees	-	-	-	84,986	84,986	90,452
Irrecoverable VAT	-	34,743	-	-	34,743	20,362
Cost of sales	-	-	334,888	-	334,888	307,194
Shops operating expenses	-	-	1,603,375	-	1,603,375	1,459,996
Investment portfolio fees	-	29,755	-	-	29,755	29,032
Staff relocation & recruitment	-	-	24,039	-	24,039	13,208
	7,813,930	675,459	4,339,838	147,925	12,977,152	11,690,756

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

9 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	39,566	Key management allocated on time
Audit and accountancy	23,373	Governance
Legal and professional	84,985	Governance
	<u>147,925</u>	

10 Net income/(expenditure) for the year

This is stated after charging the following:

	2025 £	2024 £
Auditors’ remuneration – audit (group)	18,420	18,481
Operating leases	893,873	842,133
Depreciation (group)	275,549	278,937
	<u>1,187,842</u>	<u>1,139,551</u>

11 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2025	2024
Staff and management	270	274
	<u>270</u>	<u>274</u>

The aggregate payroll costs of these persons were as follows:

	2025 £	2024 £
Wages and salaries	7,759,004	7,027,521
Social security costs	707,715	641,957
Other pension costs	586,021	544,051
	<u>9,052,740</u>	<u>8,213,529</u>

Included within wages and salaries are termination payments totalling £95,095 (2024: £27,113). The termination payments were funded from the existing cash reserves.

Other pension costs represent employer’s defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Eight employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2025	2024
£60,000 to £70,000	2	1
£70,000 to £80,000	1	1
£80,000 to £90,000	3	1
£90,000 to £100,000	1	1

The key management personnel of the group comprise of the Chief Executive, Director of Finance and Resources, Director of Income Generation and Director of Clinical Services. The combined employee benefits of the above seven personnel totalled £458,967 (2024: £356,141, four personnel).

12 Pension costs

Defined benefit scheme:

NHS pension scheme

The charity contributes on behalf of its employees to the National Health Service pension scheme. The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence, it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £270,923 (2024: £259,484).

Contributions amounting to £35,782 (2024: £35,737) were payable to the Fund at 31 March 2025 and are included in other creditors.

Standard Life Scheme

The charity operates a Group Personal Pension Scheme for those employees not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008. The charity makes voluntary contributions to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

Pre Auto Enrolment

Employees that joined the scheme before auto enrolment was implemented receive employer contributions of up to 10% of salary.

Auto Enrolment

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £315,098 (2024: £284,567).

Contributions amounting to £48,034 (2024: £44,205) were payable to the Fund at 31 March 2025 and are included in other creditors.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

13 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2024: £Nil).

Further details in relation to related party transactions can be found in note 32.

14 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities. The registered office of both subsidiaries is Cornwall Hospice Care, Porthpean Road, St Austell, Cornwall PL26 6AB.

A summary of the results of the subsidiaries is shown below:

	Cornwall Hospice Care Trading Limited	Cornwall Hospice Care Lottery Limited	Total 2025	Total 2024
	£	£	£	£
<i>Per company accounts</i>				
Turnover	170,999	926,928	1,097,927	1,022,331
Cost of sales	(81,051)	(253,837)	(334,888)	(307,194)
Administrative expenses	(43,943)	(192,148)	(236,091)	(195,261)
Interest receivable	677	31,938	32,615	22,589
Interest payable	(5,359)	-	(5,359)	-
Net profit	<u>41,323</u>	<u>512,881</u>	<u>554,204</u>	<u>542,465</u>
Amount distributed to the charity via Gift Aid	(79,845)	(480,000)	(559,845)	(147,985)
Result in the subsidiary	<u>(38,522)</u>	<u>32,881</u>	<u>(5,641)</u>	<u>394,480</u>

The assets and liabilities of the subsidiaries were:

	Cornwall Hospice Care Trading Limited	Cornwall Hospice Care Lottery Limited	Total 2025
	£	£	£
<i>Per company accounts</i>			
Current assets	182,031	607,659	789,690
Current liabilities	(145,704)	(107,157)	(252,861)
Total net assets	<u>36,327</u>	<u>500,502</u>	<u>536,829</u>
Aggregate share capital and reserves	<u>36,327</u>	<u>500,502</u>	<u>536,829</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

15 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 14.

The summary financial performance of the charity alone is:

	Total 2025 £	Total 2024 £
Income	12,399,670	10,985,240
Gift aid from subsidiaries	559,845	147,985
	<hr/>	<hr/>
	12,959,515	11,133,225
Expenditure on charitable activities	12,600,374	11,239,547
	<hr/>	<hr/>
Net income / (loss)	359,141	(106,322)
Total funds brought forward	11,028,912	11,135,234
	<hr/>	<hr/>
Total funds carried forward	11,388,053	11,028,912
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Restricted funds	1,092,204	716,391
Unrestricted funds	10,295,849	10,312,521
	<hr/>	<hr/>
Total funds carried forward	11,388,053	11,028,912
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

16 Comparative period statement of financial activities

Consolidated	Unrestricted funds £	Restricted funds £	Total 2024 £
Income			
Donations & legacies	2,977,583	206,235	3,183,818
Income from Charitable Activities	1,158,109	-	1,158,109
Income from Other Trading Activities:			
Commercial trading operations	6,218,469	-	6,218,469
Fundraising	787,922	-	787,922
Other income	197,202	-	197,202
Investment income	231,564	-	231,564
Total Income	11,570,849	206,235	11,777,084
	<hr/>	<hr/>	<hr/>
Expenditure			
Expenditure on raising funds			
Commercial trading activities	4,078,326	-	4,078,326
Costs of generating donations and legacies	567,070	-	567,070
Investment portfolio fees	29,032	-	29,032
Expenditure on charitable activities			
Provision of care	6,644,565	230,704	6,875,269
Support costs	141,059	-	141,059
Total Expenditure	11,460,052	230,704	11,690,756
	<hr/>	<hr/>	<hr/>
Net gain/(loss) on investments	200,159	-	200,159
	<hr/>	<hr/>	<hr/>
Net income	310,956	(24,469)	286,487
Other recognised gains and losses			
Gain on disposal of fixed assets	1,667	-	1,667
	<hr/>	<hr/>	<hr/>
Net movement in funds	312,623	(24,469)	288,154
Reconciliation of funds:			
Fund balances brought forward	10,542,364	740,860	11,283,224
	<hr/>	<hr/>	<hr/>
Fund balances carried forward	10,854,987	716,391	11,571,378
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

17 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2024	5,857,169	1,433,783	1,113,734	220,455	316,310	8,941,451
Additions	240,184	89,300	14,620	-	38,156	382,260
Disposals	-	-	-	(19,602)	-	(19,602)
Impairment	(230,000)	-	-	-	-	(230,000)
	-----	-----	-----	-----	-----	-----
At 31 March 2025	5,867,353	1,523,083	1,128,354	200,853	354,466	9,074,109
	-----	-----	-----	-----	-----	-----
Depreciation						
At 1 April 2024	2,458,185	1,180,596	815,894	175,391	293,568	4,923,634
Charge for the year	111,101	74,972	50,769	11,843	22,464	271,149
Released on disposal	-	-	-	(19,602)	-	(19,602)
	-----	-----	-----	-----	-----	-----
At 31 March 2025	2,569,286	1,255,568	866,663	167,632	316,032	5,175,181
	-----	-----	-----	-----	-----	-----
Net book value						
At 31 March 2025	3,298,067	267,515	261,691	33,221	38,434	3,898,928
	=====	=====	=====	=====	=====	=====
At 31 March 2024	3,398,984	253,187	297,840	45,064	22,742	4,017,817
	=====	=====	=====	=====	=====	=====

During the year, management conducted a review of the carrying amount of one of the freehold properties. The review identified indicators of impairment due to market decline. Based on the current market value of the property, the recoverable amount had fallen below its carrying amount. As a result, an impairment loss of £230,000 was recognised in the profit and loss account.

Freehold land and buildings include land at cost of £121,010 (2024: £121,010) on which no depreciation is charged.

Included in Motor Vehicles are vehicles leased under finance leases with a net book value of £31,499 (2024: £39,898).

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

18 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2024	5,857,169	1,433,783	1,113,734	220,455	332,510	8,957,651
Additions	240,184	89,000	14,620	-	38,156	382,260
Disposals	-	-	-	(19,602)	-	(19,602)
Impairment	(230,000)	-	-	-	-	(230,000)
At 31 March 2025	5,867,353	1,523,083	1,128,354	200,853	370,666	9,090,309
Depreciation						
At 1 April 2024	2,458,185	1,180,596	815,894	175,391	305,368	4,935,434
Charge for the year	111,101	74,972	50,769	11,843	26,864	275,549
Released on disposal	-	-	-	(19,602)	-	(19,602)
At 31 March 2025	2,569,286	1,255,568	866,663	167,632	332,232	5,191,381
Net book value						
At 31 March 2025	3,298,067	267,515	261,691	33,221	38,434	3,898,928
At 31 March 2024	3,398,984	253,187	297,840	45,064	27,142	4,022,217

During the year, management conducted a review of the carrying amount of one of the freehold properties. The review identified indicators of impairment due to market decline. Based on the current market value of the property, the recoverable amount had fallen below its carrying amount. As a result, an impairment loss of £230,000 was recognised in the profit and loss account.

Freehold land and buildings include land at cost of £121,010 (2024: £121,010) on which no depreciation is charged.

Included in Motor Vehicles are vehicles leased under finance leases with a net book value of £31,499 (2024: £39,898).

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

19 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2025 £	Group 2025 £
At 1 April 2024	155,000	5	4,719,206	4,874,211	4,874,206
Additions at cost	-	-	1,894,170	1,894,170	1,894,170
Disposals	-	-	(1,263,332)	(1,263,332)	(1,263,332)
Realised loss	-	-	(21,396)	(21,396)	(21,396)
Unrealised loss	-	-	(91,051)	(91,051)	(91,051)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	155,000	5	5,237,597	5,392,602	5,392,597
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Trustees consider the valuation of the freehold investment property at 5-7 Fore Street, St Austell appropriate at the year end.

The cost of the above listed investments at 31 March 2025 was £5,052,981 (2024: £4,452,503). The cost of the freehold investment properties amounts to £290,000 (2024: £290,000).

Carrying amount of financial assets

	2025 £	2024 £
Instruments measured at fair value through profit or loss	5,237,597	4,719,206
	<hr/> <hr/>	<hr/> <hr/>

20 Stocks

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Goods for resale	3,470	63,015	3,470	69,456
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	<hr/>	<hr/>	<hr/>	<hr/>
	12,370	71,915	12,370	78,356
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

21 Debtors

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Gift Aid debtor	100,857	100,857	153,928	153,928
VAT recoverable	91,564	91,564	99,747	99,747
Amounts owed by group undertakings	139,805	-	-	-
Other debtors	76,477	81,257	36,044	37,720
Prepayments and accrued income	837,354	845,577	1,085,978	1,090,021
	<hr/>	<hr/>	<hr/>	<hr/>
	1,246,057	1,119,255	1,375,697	1,381,416
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

22 Creditors: amounts falling due within one year

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Trade creditors	171,241	196,612	310,799	344,155
Other creditors	131,539	131,591	135,776	135,442
Bank overdraft	-	2,814	-	-
Other taxation and social security	157,595	158,370	150,613	155,819
Accruals	304,650	318,478	262,073	270,969
Deferred income (note 23)	36,375	106,591	17,611	86,905
Amounts owed to group undertakings	456,066	-	481,600	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,257,466	914,456	1,358,472	993,290
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

23 Deferred income

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
At 1 April 2024	17,611	86,905	33,006	100,135
Released to income in year	(17,611)	(86,905)	(33,006)	(100,135)
Deferred in year	36,375	106,591	17,611	86,905
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	36,375	106,591	17,611	86,905
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Income is deferred in respect of Lottery income whereby players may pay in advance for weekly tickets on a quarterly, half yearly or annual basis. Other income is deferred in respect of education services and rental income where income has been received in advance of the education service being delivered, or the rental period.

24 Contingent assets

At 31 March 2025, the Charity had been notified of legacies receivable totalling an estimated £4m (2024: £3.3m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £495k (2024: £595k) which are subject to a life tenancy interest held by a third party and therefore, are also, not included in the Statement of Financial Activities as conditions for recognition have not been met.

25 Provision for liabilities

Retail Shop Maintenance Provision, during the reporting period, the charity recognised a provision of £49,000 for essential repairs and maintenance across its portfolio of retail shops. The works include structural remedial actions, safety upgrades, and improvements to meet accessibility standards, based on professional surveys carried out during the year.

The provision reflects a present obligation arising from identified defects and compliance requirements, which were known prior to the balance sheet date. The trustees consider it probable that expenditure will be incurred, and the amount has been estimated reliably based on contractor quotes and internal assessments.

The provision is expected to be utilised within the next 12 months. No reimbursement is anticipated.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

26 Restricted funds

The Company and the Group

	Project Appeal Fund	Bed Purchase Fund	Hospice UK Fund	Fit for the Future Fund	Mount Edgcumbe Hospice Fund	St. Julia's Hospice Fund	Total
	£	£	£	£	£	£	£
At 1 April 2023	701,372	39,488	-	-	-	-	740,860
Income	-	-	-	-	-	206,235	206,235
Expenditure	(19,538)	(4,931)	-	-	-	(206,235)	(230,704)
At 1 April 2024	681,834	34,557	-	-	-	-	716,391
Income	-	-	161,678	245,466	562,452	319,020	1,288,616
Expenditure	(19,538)	(4,931)	(5,909)	(953)	(562,452)	(319,020)	(912,803)
At 31 March 2025	662,296	29,626	155,769	244,513	-	-	1,092,204

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect donations made in contribution to bed purchases for each unit. Depreciation on these beds of £4,931 is charged to reserves annually.

The Hospice UK Fund represents restricted income provided by Hospice UK, where funds are restricted for capital purchases across the charity; funding has been used towards acquiring assets in line with the specific funding conditions.

The Fit for the Future Fund represents voluntary income given in respect of future proofing our clinical units so that they are fit for purpose and able to meet the needs of future patients and families over the coming years.

The Mount Edgcumbe Hospice Fund represent legacy income where funds are restricted for use in Mount Edgcumbe Hospice, funding has been used towards running costs of the hospice.

The St. Julia's Hospice Fund represent legacy income where funds are restricted for use in St. Julia's Hospice, funding has been used towards running costs of the hospice.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

27 Unrestricted funds

(a) The Company

[----- Designated Funds -----]

	Capital Fund	Revaluation Reserve	Legacies Fund	General Reserve	Total
	£	£	£	£	£
At 1 April 2024	3,301,426	131,703	1,750,000	5,129,392	10,312,521
Surplus for the year	-	-	-	(16,672)	(16,672)
Transfer	(494,702)	52,913	(500,000)	941,789	-
At 31 March 2025	2,806,724	184,616	1,250,000	6,054,509	10,295,849

(b) The Group

[----- Designated Funds -----]

	Capital Fund	Revaluation reserve	Legacies Fund	General Reserve	Total
	£	£	£	£	£
At 1 April 2024	3,305,826	131,703	1,750,000	5,667,458	10,854,987
Surplus for the year	-	-	-	(22,314)	(22,314)
Transfer	(499,102)	52,913	(500,000)	946,189	-
At 31 March 2025	2,806,724	184,616	1,250,000	6,591,333	10,832,673

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

27 Comparative unrestricted funds

(a) The Company	[----- Designated Funds -----]					Total
	Capital Fund	Revaluation Reserve	Future Service Develop fund	Legacies Fund	General Reserve	
	£	£	£	£	£	£
At 1 April 2023	3,427,650	23,127	569,609	2,000,000	4,373,988	10,394,374
Surplus for the year	-	-	-	-	(81,853)	(81,853)
Transfer	(126,224)	108,576	(569,609)	(250,000)	837,257	-
At 31 March 2024	3,301,426	131,703	-	1,750,000	5,129,392	10,312,521

(b) The Group	[----- Designated Funds -----]					Total
	Capital Fund	Revaluation reserve	Future Service Develop Fund	Legacies Fund	General Reserve	
	£	£	£	£	£	£
At 1 April 2023	3,436,449	23,127	105,625	2,000,000	4,977,163	10,542,364
Surplus for the year	-	-	-	-	312,623	312,623
Transfer	(130,623)	108,576	(105,625)	(250,000)	377,672	-
At 31 March 2024	3,305,826	131,703	-	1,750,000	5,667,458	10,854,987

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

27 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 26).

The Revaluation Fund represents any changes in the recognised value of investment property and investments if held above cost.

The Future Deficit Fund was established for any future deficits, this has been released to the General Fund in the current year.

The Legacies Fund has been established to mitigate the specific risk that arises around legacy income. Legacies present management with a unique risk, in that if they were to substantially reduce or stop all together management are unable to take management action that would influence this in the short to medium term. The legacy fund is therefore intended to fund any legacy shortfalls, which will allow time for expenditure to be reduced in a planned manner.

28 Analysis of net assets between funds

Consolidated fund balances at 31 March 2025 are represented by:

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	2,806,724	1,092,204	3,898,928
Investments	5,392,597	-	5,392,597
Current assets	3,596,808	-	3,596,808
Current liabilities	(914,456)	-	(914,456)
Non Current liabilities	(49,000)	-	(49,000)
	<hr/>	<hr/>	<hr/>
	10,832,673	1,092,204	11,924,877
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Consolidated fund balances at 31 March 2024 are represented by:

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	3,305,826	716,391	4,022,217
Investments	4,874,206	-	4,874,206
Current assets	3,668,245	-	3,668,245
Current liabilities	(993,290)	-	(993,290)
Non Current liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
	10,854,987	716,391	11,571,378
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

29 Commitments

Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Expiring within 1 year	813,839	813,839	807,128	807,128
Expiring 2 - 5 years	2,416,349	2,416,349	2,576,758	2,576,758
Expiring in more than five years	1,614,808	1,614,808	1,959,551	1,959,551
	<u>4,844,996</u>	<u>4,844,996</u>	<u>5,343,437</u>	<u>5,343,437</u>
	Other		Other	
	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Expiring within 1 year	11,997	11,997	23,995	23,995
Expiring 2-5 years	-	-	11,997	11,997
	<u>11,997</u>	<u>11,997</u>	<u>35,992</u>	<u>35,992</u>

30 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £Nil (2024: £Nil).

31 Ultimate controlling party

The ultimate controlling party of the charity are the members.

32 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

33 Reconciliation of operating surplus to net cash flow from operating activities

	2025 £	2024 £
Net income per statement of financial activities	353,499	288,154
Losses/ (Gains) on investments	112,447	(200,159)
Investment income	(256,460)	(231,564)
Add back (profit)/loss on sale of tangible assets	-	(1,667)
Add back impairment charge	230,000	-
Add back depreciation charge	275,550	278,937
Decrease in stocks	6,441	7,353
(Decrease)/Increase in debtors	262,160	(909,176)
(Decrease)/Increase in creditors	(78,833)	(15,869)
Increase/ (Decrease) in provisions	49,000	-
	<hr/>	<hr/>
Net cash provided by operating activities	953,804	(783,990)
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net debt

	1 April 2024 £	Cash flows £	31 March 2025 £
Cash at bank and in hand	2,208,473	197,165	2,405,638
	<hr/>	<hr/>	<hr/>

34 Auditor's liability limitation agreement

For the year ended 31 March 2025, the charity entered into a liability limitation agreement with its auditors, the principal terms of which limit the liability of the auditors to £5,000,000 in relation to their responsibilities as auditors of the charity. The date this was agreed by the charity was 21 July 2025.

35 Post balance sheet event

As discussed in the Report of the Chair, the next phase of development of The Fit for the Future project commenced in May 2025, this event is classified as a non-adjusting post balance sheet event, as the contract was finalised and signed after the financial year. As at year end, a reasonable estimate of the potential impact cannot be made.

CORNWALL HOSPICE CARE LIMITED

England & Wales - Charity number 1113140

Accounts

**Cornwall Hospice Care Limited
(Limited by guarantee)**

**Report of the Members of the Board and
financial statements**

For the year ended 31 March 2024

Company registration number 05660401

Charity registration number 1113140

Cornwall Hospice Care Limited (Limited by Guarantee)

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Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2024 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Highlights of the Year

Patient Care

No inspections by the Care Quality Commission (CQC) were made during the financial year, the most recent being St Julia's Hospice in August 2022 and Mount Edgcumbe Hospice in December 2022. Both inspections were incredibly thorough, with positive feedback from the CQC received and we were delighted with the CQC's ratings, with St Julia's being rated as Good and Mount Edgcumbe being rated as Outstanding.

During the year admission numbers have increased as have the number of patients discharged, which links to the minor reduction in occupied bed days. The complexity of conditions with patients also plays a major part in this figure, with their needs impacting upon their length of stay.

We have continued to provide 20 beds, ten at each of our hospice in-patient units, while also maintaining our important lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall.

We have experienced growth across our lymphoedema and community services as we continue to invest in those services. The Redruth Hub which we opened in March 2023, located in our Bargain Outlet offers outpatient therapy appointments, living well workshops and activities aimed at encouraging patients to plan for their future and this has been well received.

We continue to be regulated by the Care Quality Commission.

Patient Care	2022/23	2023/24
Number of patients admitted	351	387
Number of patients discharged	105	134
Occupied bed days	5,529	5,165
Listening Ear - support calls	400	563
Lymphedema appointments	1,145	1,727
Advice Line calls	1,315	1,221
Hub patients seen	190	169

Patient Satisfaction

Feedback, good and bad, is vitally important for us as it allows us to make improvements where they may be needed. In the last year we received 5 complaints, an increase of 3 compared to the previous year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

These were all discussed with the parties involved and were resolved and closed satisfactorily. Internally, they were discussed at our Clinical Governance Committee to ensure any learning or opportunities for improvement were implemented.

Compliments

During 2023/24 we received 157 written compliments. Comments left by patients and families are anonymised and reported to the Clinical Governance Committee and summaries are also made available for staff to read.

During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

Finance

Our financial performance in the year was positive, given there were intervals when a deficit was expected because of a shortfall in legacy income. An overall surplus result of just over £288k was recorded which surpasses the initial deficit budget for the year of £108k.

A surplus of £86k was generated from our Operations, which has then been increased by gains on investments during the year meaning an overall surplus result of just above £288k is reported. Our reserves remain in a strong position, following the previous two financial years, which saw good performance, and exceptional legacy receipts. They now stand at £11.6m.

Our total income was £11.8m, representing a decline of 6% over the prior year, and a 2% shortfall versus budget. Legacy income is the main contributor to the decline versus 2022/23 and the shortfall to budget. We have experienced far more significant delays within our portfolio than in previous years, which appears common across the sector. The delayed receipts will now form part of the 2024/25 budgeted income.

The key areas of income growth during 2023/24 have been within Retail and Lottery, increasing by 17% and 12% respectively. Fundraising has effectively remained static but in a tough environment, its sustained level of income is pleasing.

Expenditure has continued to be carefully managed during the year and resulted in a saving versus budget of 4%. However, inflationary pressures in staff costs, fuel and supplies have meant a 6% increase in overall expenditure compared to the prior year.

Fundraising & lottery

A challenging year within fundraising, saw the net contribution fall below budget for the year, but a strong end to the financial year resulted in a higher than anticipated result. Lottery effectively achieved its budgeted contribution, with continued growth being delivered in some key lines.

The strongest income stream was within the Lottery team, where weekly draw tickets achieved income of £772k, which although was £9k behind budget, showed growth of 11% on the prior year. Bumper draw ticket sales also saw an upturn, finishing £5k ahead of budget and growth of 9% compared to 2022/23.

For the first time, the strongest fundraising income stream was in the Community, continuing the excellent success from the prior year. £256k was received, beating budget by £22k. Donations saw a downturn on the prior year by 30%, achieving income of £181k. This income stream, includes one off, regular and major donations with the challenging economic climate beginning to take effect on

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

individuals' propensity to give. In memory donations however grew significantly by 17% compared to the prior year, achieving income of £240k.

The Challenges income stream produced a standout performance, resulting in £144k of income and growth of 350% on the previous year. This included the delivery of a bespoke overseas cycle challenge "Mount to Mont" which was tremendously successful and the most successful event in our fundraising history in terms of contribution.

Trust income, suffered another tough year resulting in income of £50k, a shortfall versus budget of £60k. This is an area that has been addressed post year end, with a new dedicated Trusts and Grants Officer successfully employed and we are hopeful this will reflect significant growth in the coming year.

Lastly, gifts in Wills contributed £2.8m to our care in the year.

To everyone who has supported us, thank you. Without you, we would not be able to provide peace, comfort and calm when someone is nearing the end of their life.

Retail

Our network of shops has enjoyed a very successful year delivering a contribution to the cost of care of over £1.66m. Our donation centre model which we introduced in 2021 has continued and remains highly successful. Over 50,000 cars visited the centres during the year and over 1.1million items of donated stock were sold. The number of shops operated remained constant during the year with thirty in operation, maintaining our presence in all major towns of the county.

Sustainability remains as one of our key ambitions and by continuing to work closely with our recycling partners we have sought to reduce our environmental impact, working hard to ensure the maximum number of the goods donated to us are found a useful purpose and are kept away from landfill. We have found that the quality of items donated has decreased during the year with around 40% being saleable (2022/23 45%). This has led to an increased recycled output, and adjusting our messaging to the public, highlighting the importance of good quality donations.

Around 80 employees work in the retail business, and these have ably been supported by close to 1,000 volunteers during the year. The volunteer team have become ever more critical to the success that the division has enjoyed in recent times and the charity remains very grateful for their contributions.

Our People

The average number of staff employed across the organisation has increased from 259 to 274 full and part time permanent employees during the year. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has grown significantly over the past few years and currently stands at close to 1,150.

The over-arching aim of our people strategy remains to be an 'Employer of Choice' for Cornwall with this being delivered by;

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care. We continue to be a Real Living Wage employer with all employees receiving a basic hourly rate of pay of at least £12.00 from the beginning of 2024/25.

Gender Pay

The key measures from our gender pay report are set out below:

- A Mean gender pay gap of (plus) – 6.7%
- A Median gender pay gap of 0%

Our Purpose and Values

These were developed with input from trustees, staff and volunteers during 2022/23 to form our new strategy for the period 2023-28. These were launched during April 2023 and have been well received across the Charity. The strategy now at the end of its first year is being monitored by the trustees and Executive team and will be reviewed to benchmark progress over the coming 12 months.

Our Purpose

Our Purpose is to provide compassionate, specialised end of life care for patients, their families and carers whilst guaranteeing our high quality standards. Together with our local community in Cornwall we will continue to make every day matter.

Our Value

We'll work together to achieve our purpose by following our values, which are:

- **Compassion** – the quality of being gentle, kind, caring and helpful.
- **Integrity** – being honest and having strong moral principles.
- **Togetherness** – valuing everyone who works or volunteers for our charity or uses our services, giving us all the information tools, independence and freedom to achieve.

Structure, governance and management

Status

The charity was incorporated on 21 December 2005, the company registration number is 05660401 and it is also a registered charity, registration number 1113140.

Governing document

The charity's governing document is its Memorandum and Articles of Association.

Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 13 members and there are five sub-committees.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings were all held quarterly. All trustees have continued to be invited to attend all Committee meetings. Actual attendance levels have remained high for all Committees.

Members of the Board

The following were members of the Board during the year:

Mr D W Renwick (Chair)	
Mrs S M Godzicz	
Dr C J Philip	
Mr G Piercey	
Mrs S M Bamford	
Mrs L A Clarke	
Mr M J Davis	Appointed 15 June 2023
Dr S Hawkins	
Dr S Gupta	Resigned 21 May 2024
Mr A C Naylor	
Mrs D M R Roberts	
Mrs L J Stubberfield	
Mr D Thomas	
Mr A J Whyte	

Mr Renwick, Mrs Godzicz and Mr Piercey also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

Board Committees

There are five sub-committees of the Board. Membership of these Committees during the year is set out below:

Clinical Services Committee	Finance Committee	Income Generation Committee	Governance Committee	Remuneration Committee
Dr C J Philip (Chair)	Mrs S M Godzicz (Chair)	Mr G Piercey (Chair)	Mr D W Renwick (Chair)	Mr D W Renwick
Dr S Gupta	Mrs S M Bamford	Mrs L Clarke	Mrs S M Godzicz	Mrs S M Godzicz
Dr S Hawkins	Mr A Naylor	Mr D Thomas	Dr S Hawkins	Dr C J Philip
Mr D W Renwick	Mr D W Renwick	Mr D W Renwick	Dr C J Philip	Mr G Piercey
Mrs D M R Roberts	Mr A J Whyte		Mr G Piercey	
Mrs L J Stubberfield			Mrs L J Stubberfield	

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The table represents core membership only, but trustees are encouraged to attend any committee meeting should they so wish.

Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

Executive Officers

Chief Executive: Paul Brinsley

Director of Clinical Services: Gina Starnes

Director of Finance and Resource & Company Secretary: Will Hood

Director of Income Generation: Frazer Hopkins

Principal address and registered office

Mount Edgcumbe Hospice,
Porthpean Road
St Austell
Cornwall
PL26 6AB
www.cornwallhospicecare.co.uk

Advisers

Solicitors: **Michelmores LLP**
Woodwater House
Pynes Hill
Exeter, EX2 5WR

Auditors: **RRL LLP**
Peat House
Newham Road
Truro, TR1 2DP

Investments: **LGT**
14 Cornhill, London
EC3V 3NR

Bankers: **Barclays Bank PLC**
14 King Street
Truro, TR1 2RB

RBC Brewin Dolphin
Vantage Point
Woodwater Park
Pynes Hill
Exeter, EX2 5FD

Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Details of transactions with those parties are included in note 14 of the financial statements.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Report of the Chair

We have continued to make everyday matter over this past year, with the year itself being one of significant growth and dedication. Our commitment to providing free and compassionate care for the people of Cornwall when they need it most, remained steadfast and continues to do so.

The year was thankfully much more straight forward in terms of economic shocks and pandemics, which allowed our beds to remain open and our services to operate effectively throughout. I would like to thank all our staff and volunteers for their excellent work and commitment which have allowed us to deliver some remarkable results both clinically and financially.

Growth has been represented across many areas of the Charity from increasing staff and volunteer numbers to rising financial returns within key income streams. Although we have continued to provide twenty beds, ten at each of our hospices, patient numbers, as well as the amount of patients discharged have increased significantly which is pleasing.

We have maintained our excellent lymphoedema clinics, which have also seen increased appointment numbers, our superb range of community services continued and reached more people than ever before, plus our distinguished education programmes have been ever popular. These programmes are designed for healthcare workers and care providers across the county and astonishingly during 2023/24 we supported one hundred medical students in their learning and qualifications.

We made one new appointment to the Board during the year, welcoming Martin Davis in June 2023, who has become a member of the Clinical Services Committee. In May 2024 Dr S Gupta, a member of the Clinical Services Committee resigned from the Board, and I would like to thank him for his contribution to the charity during his time served.

Lastly, as ever, I would also like to thank my fellow trustees for their dedication, contribution and enthusiasm during the past year and I look forward to this continuing in the year to come.

David Renwick, Chair of Trustees

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgcumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our lymphoedema service supporting patients
- Our community services providing outpatient services to patients and bereavement support to patients, carers and families.

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

Public benefit

The members of the Board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the members of the Board consider how planned activities will contribute to the aims and objectives set.

Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has been a very positive one during which we have been able to maintain bed numbers across the two hospices at 20. It underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us. This followed our pledge in the last Quality Account to increase salaries where appropriate, to mirror or exceed the NHS Agenda for Change pay scales. We also increased holiday allowances for clinical staff. The net result is an ability to recruit and retain the skilled staff we need.

We have also developed our Community Services to offer Neighbourhood Hub support clinics in locations towns and at our hospices, Community Friendship Cafés, Wellbeing Workshops and Bereavement Friendship Support Groups. We are often operating in collaboration with other organisations and charities and I see this collaboration developing as we all work together to offer exceptional support to those patients living with their conditions in our communities.

I continue to be humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standard of care. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration.

Paul Brinsley, Chief Executive

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Our Ambitions 2023-2028

Our agreed ambitions for the period to up to March 2024 are set out below.

Our Ambitions

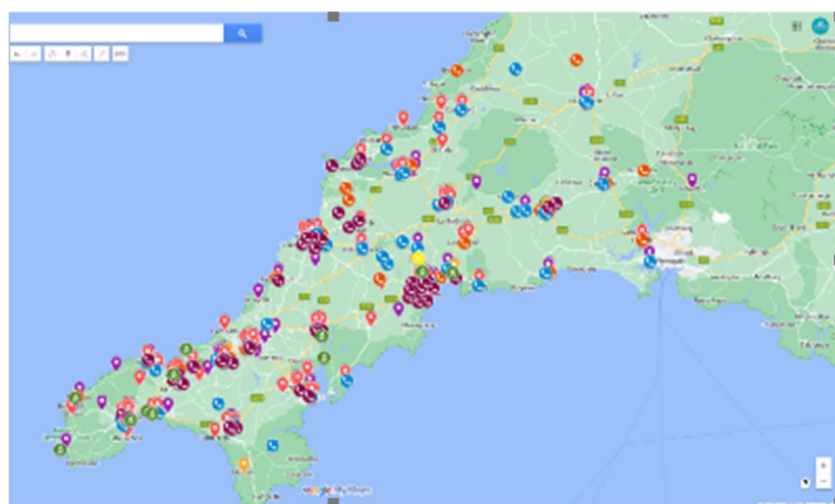
1. Work in partnership to grow our charity for the future, ensuring close working relationships across all our departments, we will also continue to work collaboratively with our external partners.
2. Develop our learning and education to ensure all our staff and volunteers and where relevant, those from our external partners have the knowledge, skills and competencies to fulfil their roles.
3. Raise sufficient funds to protect and grow our hospice services through a range of income generation activities.
4. Work towards lowering our environmental impact by implementing, where possible, sustainable systems and processes in all areas of the charity's operations.
5. Be innovative in our own individual areas, teams and across the charity to deliver continuous improvement in all we do.

Progress made during 2023/24

1. Work in partnership to develop community services to meet identified needs

The hospices have worked hard to reach out and work in partnership with our NHS, independent and charity sector colleagues to support a seamless service around the patient and their family. This piece of work is hugely important and continues to be an area where we strive to improve the whole system wide service.

Our own Community Services Team and the services offered have grown through the introduction of new services and locations throughout county during the year. We have expanded our offer of practical help, with a focus on providing support for patients in their care and to those who have been bereaved. The reach of our services can be seen below:



We have continued with our values led decision to maintain accreditation as a Real Living Wage employer, believing that our staff deserve a wage which meets their everyday needs.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

2. Develop our learning and education

During the year we have continued our progress towards becoming Nurse led units. Our pay and benefits remain competitive with the NHS, maintaining our improved ability to recruit and retain the skills required.

Our Education team have expanded their offer of services to both internal and external customers across continued professional development, volunteer training development, clinical governance and best practice as well as offering continued clinical student placements. Demand for these placements has been high with more than 100 third, fourth and fifth year medical students supported with their development in placements across our two clinical units. We have also begun to pilot paramedicine students during the year and will look to develop programmes for physiotherapy students in the coming year.

3. Ensure the charity is fit for the future

During the year we have continued our progress towards becoming Nurse led units. Our pay and benefits remain competitive with the NHS, maintaining our improved ability to recruit and retain the skills required.

Our Advanced Nurse Practitioner (ANP) is well established and is available to support patients both in our hospices, but also in their own homes, and works collaboratively across care settings and specialities, to best support patients. This work continues to receive positive feedback from patients, families and healthcare professionals.

We strengthened the function of our Executive Management Team (EMT) and its relationship with the board of trustees and across staff in general, during the year. A review of the existing EMT structure against the needs of the organisation resulted in the creation of a new role, the Director of Income Generation, with this being successfully recruited to, in January 2024.

Priorities for 2024/25

1. Continue to future proof our Hospice buildings and systems

- We will as far as possible, seek to future proof the life of our buildings by upgrading and making them as energy efficient as possible including the installation of new solar systems and a comprehensive insulation programme across both our hospice sites.
- We will seek to improve privacy and dignity at our Mount Edgumbe Hospice, with a project around the modernisation of our bed bays, transforming them into single patient bedrooms, allowing us to deliver more dedicated, specialist palliative nursing care to more people in our community.
- Continue the work we did from the past two years, and progress the implementation of an automated patient record system.

2. Ensuring continuation of a collaborative approach to enhance system wide knowledge and reach around end of life care.

- As well as maintaining our inpatient beds, we will continue to work with our NHS, independent and charity sector colleagues with the view to developing a system wide, seamless service, that centres around the patient and their family.
- We will continue with our vision to provide end of life education across the county, helping to ensure that staff at all levels, and in multiple settings are well equipped with the communication and listening skills required.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Risk Management and Internal Control

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping key internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed at each meeting by the Board.

The key strategic risks monitored during the year included a failure in our care and the risks to funding caused by staff and volunteer shortages across our income generation activities. The Board has set a risk framework and categorises risks by impact and likelihood and the necessary level of management or mitigation. The Board has also reviewed and agreed our risk appetite.

Going concern basis of accounting and long-term viability

The Directors carried out a review of the company's operating budget and cash flow projection for the coming year 2024/25 along with its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

The Directors also monitor closely future expectation for legacy income, which continues to be supported by a strong pipeline. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the executive team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

An overall surplus result of £288k was recorded in the period compared to a budgeted deficit of £108k. Although this result represents a deterioration of £905k compared to the previous year, it is seen as a positive result given it surpasses the overall budget. The prior year was the second year in succession of an exceptional level of legacy income, which we were fortunate to receive.

Our income generation teams have had a solid year, with retail in particular performing above expectations and exceeding budget.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The financial performance is summarised in the table below:

Financial Summary £000s	2023/24 Actual	2022/23 Actual
Total Income	11,777.1	12,523.2
Expenditure	11,690.8	11,078.9
Operating Result	86.3	1,444.3
Gain / (loss) on investments & property	200.2	-251.0
Gain / (loss) on disposal of fixed assets	1.7	0.0
Surplus / deficit	288.2	1,193.3

Income

The table below sets out a summary of income as recorded in our management accounts for the year and included in the notes to the financial statements.

The total income earned in the year stood at £11.8m which was £0.3m (2%) less than budget and £0.7m (6%) below the prior year. This is primarily because of our legacy income, which due to unforeseen delays in receipt, resulted in only £2.8m compared to a budget of £3.2m. The prior year totalled £4.5m and our best ever result, but the delay in receipt has resulted to income being rolled into 2024/25 and with our overall pipeline remaining positive, we are confident of another strong performance and a forecast improvement on this year's total.

Fundraising income came in below budget for the year, although did show minor growth on the prior year. Retail income exceeded budget for the year by over £0.23m and rose by £0.8m compared to 2022/23, a fantastic achievement.

Income Summary £000s	2023/24 Actual	2022/23 Actual
Legacies	2,761.8	4,479.0
Donations	422.0	465.2
Fundraising	787.9	785.9
Gross income from Retail	5,366.1	4,593.0
Gross income from Lottery	852.4	759.4
Income from clinical contracts	1,158.1	1,102.9
Investment Income	231.6	99.9
All other income	197.2	237.9
Total Income	11,777.1	12,523.2

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Expenditure

Total expenditure for the year was £11.7m, a saving of £0.5m versus budget but representing growth of £0.6m (6%) compared to last year. The growth in expenditure was expected as a result of inflationary pressures on staff costs, fuels and supplies.

The table below sets out the summary of expenditure incurred.

Expenditure Summary £000s	2023/24 Actual	2022/23 Actual
Retail	3,698.9	3,457.8
Lottery	379.4	324.2
Cost of raising funds	596.1	521.3
Provision of care	6,875.3	6,627.5
Support costs	141.1	148.1
Total Expenditure	11,690.8	11,078.9

Gain on investments

The value of the hospice listed investment portfolio increased by £200k, which was pleasing given the position last year was a reduction of £250k. Although markets, and particularly bond markets which have historically been used to mitigate risk, have experienced volatility our agreed risk profile has absorbed that effect.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

Reserves policy

The Board through the Finance Committee review the reserves policy annually. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision continues to bring uncertainty, but this was mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate, the increasing cost of living and ever-growing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

Financial Resilience

Total free reserves of £5.7m were held by the charity at 31st March 2024. This comprises a general reserve equating to 5 months running costs, which the Trustees believe it is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

It is also worth identifying here that Note 28 details legal operating lease commitments within 5 years of £3.4m (2023: £3.5m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short- and medium-term expenditure, which it recognises may not be covered by a guaranteed income stream.

Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way.

The majority of the work is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

Executive Remuneration

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, the Director of Clinical Services, the Director of Finance and Resources and the Director of Income Generation. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Investment policy and objectives

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by LGT and Brewin Dolphin.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year exceeded the Board's stated minimum requirement.

The charity also owns three properties, other than the hospice buildings. Two of these are used for our own retail operation. The other is rented to a third party to produce an income stream and we also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements. During the year we have continued to utilise the Insignis treasury management facility.

Employment of Disabled Persons

Cornwall Hospice Care is committed to providing equal opportunities for all employees, including those with disabilities. We recognise the value of a diverse workforce and actively seek to create an inclusive environment where individuals can thrive and contribute to the success of the charity. Disabled persons are given equal consideration in recruitment, training and career development with reasonable adjustments made to accommodate their needs to ensure roles can be performed effectively. Where existing employees become disabled during their employment, we are dedicated to supporting their continued employment through workplace adaptations, retraining and other necessary adjustments.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

All employees including those with disabilities have equal access to career opportunities and are treated with dignity and respect.

Our policies and practices are regularly reviewed to promote inclusivity and remove any barriers to equal participation in the workplace.

Employee Engagement

We believe that our employees are one of our most valuable assets and are committed to fostering a culture of engagement, collaboration and mutual respect, where every person feels valued and empowered.

We aim to maintain an open and transparent work environment where employees are encouraged to share ideas, feedback and concerns. This can be done via many channels including consultations, workshops and working groups as well as via our Freedom to Speak Up Guardians.

Investing in the development and well-being of our employees is a key priority and is addressed by encouraging professional growth opportunities, both internally and externally through learning and development as well as the provision of an employee assistance programme and flexible working opportunities.

Our impact on the environment

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- Continued with only providing reused bags or our own paper bags throughout our retail network and not shrink wrapping furniture prior to delivery
- Continued our programme of replacing end of life light fittings with LED lighting, reducing power consumption.
- The solar panels installed at St Julia's hospice generated over 15,000 kwh of power during the year.
- We have been exploring the options and viability of becoming carbon neutral across our two inpatient units and have been successful in obtaining local government grant funding regarding insulation and solar projects at both hospice site, which will be installed in 2024/25.
- We have continued to promote the of awareness strategies across the organisation which are aimed at reducing power wastage.

Tax status

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

Accounting and reporting responsibilities of the Board

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. 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 Charities SORP 2019 (FRS 102)
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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 group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

Porthpean Road
St Austell
Cornwall

DW Renwick
Director

7 November 2024

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

Opinion

We have audited the financial statements of Cornwall Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 of which comprise of the group statement of financial activities, group and company balance sheet, group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to safeguarding, health and safety and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Our audit approach also considered the opportunities and incentives that may exist within the charitable company for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Undertaking transactional testing on legacy income which specifically considers whether recognition is in line with the requirements of the accounting standards
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

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

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

Use of our report

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

Josh Stevens ACA
Senior Statutory Auditor
For and on behalf of RRL LLP
Statutory Auditors

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

3 December 2024

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated statement of financial activities

For the year ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income					
Donations & legacies	4	2,977,583	206,235	3,183,818	4,944,158
Income from Charitable Activities	5	1,158,109	-	1,158,109	1,102,884
Income from Other Trading Activities:					
Commercial trading operations	6	6,218,469	-	6,218,469	5,352,362
Fundraising	6	787,922	-	787,922	785,945
Other income	6	197,202	-	197,202	237,934
Investment income	7	231,564	-	231,564	99,915
Total Income		11,570,849	206,235	11,777,084	12,523,198
Expenditure					
Expenditure on raising funds					
Commercial trading activities		4,078,326	-	4,078,326	3,782,000
Costs of generating donations and legacies		567,070	-	567,070	492,094
Investment portfolio fees		29,032	-	29,032	29,240
Expenditure on charitable activities					
Provision of care		6,644,565	230,704	6,875,269	6,627,495
Support costs		141,059	-	141,059	148,091
Total Expenditure	8	11,460,052	230,704	11,690,756	11,078,920
Net gains/(losses) on investments		200,159	-	200,159	(251,040)
Net income /(expenditure)		310,956	(24,469)	286,487	1,193,238
Other recognised gains and losses					
Gain on disposal of fixed assets		1,667	-	1,667	-
Net movement in funds		312,623	(24,469)	288,154	1,193,238
Reconciliation of funds:					
Fund balances brought forward		10,542,364	740,860	11,283,224	10,089,986
Fund balances carried forward	25,26,27	10,854,987	716,391	11,571,378	11,283,224

Cornwall Hospice Care Limited (Limited by Guarantee)

Balance sheet

As at 31 March 2024

	Notes	The Company 2024 £	The Group 2024 £	The Company 2023 £	The Group 2023 £
Fixed assets					
Tangible assets	17,18	4,017,817	4,022,217	4,136,110	4,144,910
Investments	19	4,874,211	4,874,206	4,613,283	4,613,278
		<u>8,892,028</u>	<u>8,896,423</u>	<u>8,749,393</u>	<u>8,758,188</u>
Current assets					
Stock	20	12,370	78,356	12,370	85,709
Debtors	21	1,375,697	1,381,416	463,067	472,240
Cash at bank and in hand		2,107,289	2,208,473	2,923,888	2,976,245
		<u>3,495,356</u>	<u>3,668,245</u>	<u>3,399,325</u>	<u>3,534,194</u>
Creditors: amounts falling due within one year	22	<u>(1,358,472)</u>	<u>(993,290)</u>	<u>(1,013,484)</u>	<u>(1,009,158)</u>
Net current assets		<u>2,136,884</u>	<u>2,674,955</u>	<u>2,385,841</u>	<u>2,525,036</u>
Total net assets		<u>11,028,912</u>	<u>11,571,378</u>	<u>11,135,234</u>	<u>11,283,224</u>
The funds of the charity					
Restricted funds	25	716,391	716,391	740,860	740,860
Unrestricted funds	26	10,312,521	10,854,987	10,394,374	10,542,364
		<u>11,028,912</u>	<u>11,571,378</u>	<u>11,135,234</u>	<u>11,283,224</u>
Total funds		<u>11,028,912</u>	<u>11,571,378</u>	<u>11,135,234</u>	<u>11,283,224</u>

These financial statements were approved by the Members of the Board on 7 November 2024 and were signed on its behalf by:

DW Renwick

Director

Company registration no.: 05660401

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated cash flow statement

For the year ended 31 March 2024

	<i>Note</i>	2024	2023
		£	£
Cash (used in) / provided by operating Activities	32	(783,990)	2,090,428
Cash flows from investing activities			
Interest income		118,212	5,020
Dividends income		88,602	73,595
Rental income from investment property		24,750	21,300
		<u>231,564</u>	<u>99,915</u>
Purchase of tangible fixed assets		(156,244)	(276,998)
Purchase of investments		(3,406,996)	(1,422,911)
Receipts from sale of tangible assets		1,667	-
Receipts from sale of investments		3,346,227	1,376,150
		<u>(215,346)</u>	<u>(323,759)</u>
(Decrease) / increase in cash equivalents		(767,772)	1,866,584
Cash and cash equivalents at 1 April 2023		2,976,245	1,109,661
		<u>2,208,473</u>	<u>2,976,245</u>

All of the cash flows are derived from continuing operations during the above two periods.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 13 members at 31 March 2024 (2023: 13). The registered office is recorded in the Trustees' report.

2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

3 Accounting policies

3.1 Accounting convention

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

Cornwall Hospice Care Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

3.2 Going concern

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

3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.4 **Fixed asset investments**

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

3.5 **Finance leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Vehicles are leased, with a lease term of one to five years. Leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased assets are available for use. The right-of-use asset is included within Motor vehicles in the Tangible fixed assets note. The right-of-use assets are measured at cost comprising the following the amount of the initial measurement of the lease and any lease payments made at or before the commencement date less any lease incentive received.

The lease payments are discounted using the interest rate implicit in the lease. The right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

3.6 **Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

3.7 **Stocks**

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical

3.8 **Income**

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

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of legacy income, in whole or in part, is only made when probate has been granted, the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

3.9 **Grants receivable & deferred income**

Grants receivable are recognised as incoming resources in the year to which they relate. Grants are deferred where they relate to a specified future period. They may be repayable in certain circumstances.

3.10 **Expenditure**

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.11 *Investment properties*

The In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

3.12 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

3.13 *Termination payments*

Termination payments are recognised as an expense when the company is demonstrably committed to terminating the employment of affected employees.

3.14 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

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

3.15 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

3.16 *Judgements and key sources of estimation uncertainty*

In the application of the group'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.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

4 Donations and legacies

	2024 £	2023 £
Legacies	2,761,802	4,478,984
Donations	422,016	465,174
	<hr/>	<hr/>
	3,183,818	4,944,158
	<hr/> <hr/>	<hr/> <hr/>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

5 Income from charitable activities

	2024 £	2023 £
Health authority contract	1,158,109	1,102,884
	<hr/>	<hr/>

6 Income from other trading activities

Commercial operations

	2024 £	2023 £
Gross Income from shops	5,366,080	4,592,962
Gross Income from Lottery	852,389	759,400
	<hr/>	<hr/>
	6,218,469	5,352,362
	<hr/> <hr/>	<hr/> <hr/>

Fundraising

	2024 £	2023 £
Trusts and grants	49,661	82,488
Fundraising activities	738,261	703,457
	<hr/>	<hr/>
	787,922	785,945
	<hr/> <hr/>	<hr/> <hr/>

Other income

	2024 £	2023 £
Clinical income - education	149,165	203,790
Clinical income - meals	27,091	20,886
Clinical income - other	20,946	13,258
	<hr/>	<hr/>
	197,202	237,934
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

7 Investment income

	Group 2024 £	Group 2023 £
Property	24,750	21,300
Bank interest	118,212	5,020
Listed investments	88,602	73,595
	<hr/> 231,564 <hr/>	<hr/> 99,915 <hr/>

8 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2024 Total £	2023 Total £
Staff costs	5,827,186	303,636	2,050,581	32,126	8,213,529	7,889,577
Patient care	61,304	-	-	-	61,304	104,604
Medical supplies & drugs	78,979	-	-	-	78,979	66,390
Catering & domestic supplies	73,829	-	-	-	73,829	71,616
Travel expenses	22,791	-	-	-	22,791	13,946
Training & education	34,419	-	612	-	35,031	51,306
Laundry	19,633	-	-	-	19,633	16,281
Electricity & Gas	118,222	-	-	-	118,222	71,036
Telephone	54,330	-	-	-	54,330	43,111
Rates and water	15,012	-	-	-	15,012	3,472
Uniforms	5,853	-	-	-	5,853	6,689
Printing, Postage and stationery	43,931	-	13,034	-	56,965	46,979
Insurance	46,480	-	-	-	46,480	33,728
Repairs and maintenance	150,829	-	-	-	150,829	144,366
Depreciation	186,462	-	92,475	-	278,937	308,114
Direct fundraising costs	-	122,179	-	-	122,179	95,012
Department fundraising costs	-	73,698	-	-	73,698	61,105
Banking charges	-	35,066	26,431	-	61,497	20,088
Administration charge	136,009	12,129	114,795	-	262,933	270,591
Audit and accountancy	-	-	-	18,481	18,481	18,058
Legal and professional fees	-	-	-	90,452	90,452	99,317
Irrecoverable VAT	-	20,362	-	-	20,362	11,940
Cost of sales	-	-	307,194	-	307,194	295,652
Shops operating expenses	-	-	1,459,996	-	1,459,996	1,294,698
Investment portfolio fees	-	29,032	-	-	29,032	29,240
Staff relocation & recruitment	-	-	13,208	-	13,208	12,004
	<hr/> 6,875,269 <hr/>	<hr/> 596,102 <hr/>	<hr/> 4,078,326 <hr/>	<hr/> 141,059 <hr/>	<hr/> 11,690,756 <hr/>	<hr/> 11,078,920 <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

9 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within note 9 and the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	32,126	Key management allocated on time
Audit and accountancy	18,481	Governance
Legal and professional	90,452	Governance
	<u>141,059</u>	

10 Net income/(expenditure) for the year

This is stated after charging the following:

	2024 £	2023 £
Auditors’ remuneration – audit (group)	18,481	18,058
Operating leases	842,133	722,782
Depreciation (group)	278,937	308,114
	<u>1,139,551</u>	<u>1,048,954</u>

11 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2024	2023
Staff and management	274	259
	<u>274</u>	<u>259</u>

The aggregate payroll costs of these persons were as follows:

	2024 £	2023 £
Wages and salaries	7,027,521	6,785,031
Social security costs	641,957	616,019
Other pension costs	544,051	488,527
	<u>8,213,529</u>	<u>7,889,577</u>

Included within wages and salaries are non-statutory/non-contractual termination payments totalling £27,113 (2023: £nil). The termination payments were funded from the existing cash reserves.

Other pension costs represent employer’s defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Four employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2024	2023
£60,000 to £70,000	1	2
£70,000 to £80,000	1	2
£80,000 to £90,000	1	1
£90,000 to £100,000	1	1

The key management personnel of the group comprise of the Chief Executive, Finance Director and Director of Clinical Services. The combined employee benefits of these four personnel totalled £356,141 (2023: £336,436, three personnel). In the prior year Cornwall Hospice Care Limited employed 1 consultant, who was paid at the NHS rate, this consultant was included in the bandings above for 2023.

12 Pension costs

Defined benefit scheme:

NHS pension scheme

The charity contributes on behalf of its employees to the National Health Service pension scheme. The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence, it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £259,484 (2023: £235,670).

Contributions amounting to £35,737 (2023: £32,096) were payable to the Fund at 31 March 2024 and are included in other creditors.

Standard Life Scheme

The charity operates a Group Personal Pension Scheme for those employees not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008. The charity makes voluntary contributions to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

Pre Auto Enrolment

Employees that joined the scheme before auto enrolment was implemented receive employer contributions of up to 10% of salary.

Auto Enrolment

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £284,567 (2023: £252,857).

Contributions amounting to £44,205 (2023: £36,522) were payable to the Fund at 31 March 2024 and are included in other creditors.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

13 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2024: £Nil).

Further details in relation to related party transactions can be found in note 31.

14 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities. The registered office of both subsidiaries is Cornwall Hospice Care, Porthpean Road, St Austell, Cornwall PL26 6AB.

A summary of the results of the subsidiaries is shown below:

	Cornwall Hospice Care Trading Limited £	Cornwall Hospice Care Lottery Limited £	Total 2024 £	Total 2023 £
<i>Per company accounts</i>				
Turnover	189,956	832,375	1,022,331	960,106
Cost of sales	(74,052)	(233,142)	(307,194)	(295,649)
Administrative expenses	(43,634)	(151,627)	(195,261)	(170,730)
Interest receivable	2,575	20,014	22,589	4,258
	<u>74,845</u>	<u>467,620</u>	<u>542,465</u>	<u>497,985</u>
Amount distributed to the charity via Gift Aid	(62,808)	(85,177)	(147,985)	(394,734)
	<u>12,037</u>	<u>382,443</u>	<u>394,480</u>	<u>103,251</u>
	<u><u>12,037</u></u>	<u><u>382,443</u></u>	<u><u>394,480</u></u>	<u><u>103,251</u></u>

The assets and liabilities of the subsidiaries were:

	Cornwall Hospice Care Trading Limited £	Cornwall Hospice Care Lottery Limited £	Total 2024 £
<i>Per company accounts</i>			
Fixed Assets	-	4,400	4,400
Current assets	87,090	567,399	654,489
Current liabilities	(12,241)	(104,178)	(116,419)
	<u>74,849</u>	<u>467,621</u>	<u>542,470</u>
Total net assets	<u>74,849</u>	<u>467,621</u>	<u>542,470</u>
	<u><u>74,849</u></u>	<u><u>467,621</u></u>	<u><u>542,470</u></u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

15 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 14.

The summary financial performance of the charity alone is:

	Total 2024 £	Total 2023 £
Income	10,985,240	11,627,374
Gift aid from subsidiaries	147,985	394,734
	<hr/>	<hr/>
	11,133,225	12,022,108
Expenditure on charitable activities	11,239,547	10,932,142
	<hr/>	<hr/>
Net (loss) / income	(106,322)	1,089,966
Total funds brought forward	11,135,234	10,045,268
	<hr/>	<hr/>
Total funds carried forward	11,028,912	11,135,234
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Restricted funds	716,391	740,860
Unrestricted funds	10,312,521	10,394,374
	<hr/>	<hr/>
Total funds carried forward	11,028,912	11,135,234
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

16 Comparative period statement of financial activities

Consolidated	Unrestricted funds £	Restricted funds £	Total 2023 £
Income			
Donations & legacies	4,908,158	36,000	4,944,158
Income from Charitable Activities	1,102,884	-	1,102,884
Income from Other Trading Activities:			
Commercial trading operations	5,352,362	-	5,352,362
Fundraising	785,945	-	785,945
Covid-19 support income	-	-	-
	237,934	-	237,934
Other income	99,915	-	99,915
Investment income			
Total Income	<u>12,487,198</u>	<u>36,000</u>	<u>12,523,198</u>
Expenditure			
Expenditure on raising funds			
Commercial trading activities	3,782,000	-	3,782,000
Costs of generating donations and legacies	492,094	-	492,094
Investment portfolio fees	29,240	-	29,240
Expenditure on charitable activities			
Provision of care	6,603,026	24,469	6,627,495
Support costs	148,091	-	148,091
Total Expenditure	<u>11,054,451</u>	<u>24,469</u>	<u>11,078,920</u>
Net losses on investments	<u>(251,040)</u>	<u>-</u>	<u>(251,040)</u>
Net income	<u>1,181,707</u>	<u>11,531</u>	<u>1,193,238</u>
Net movement in funds	<u>1,181,707</u>	<u>11,531</u>	<u>1,193,238</u>
Reconciliation of funds:			
Fund balances brought forward	<u>9,360,657</u>	<u>729,329</u>	<u>10,089,986</u>
Fund balances carried forward	<u><u>10,542,364</u></u>	<u><u>740,860</u></u>	<u><u>11,283,224</u></u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

17 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2023	5,828,151	1,389,411	1,079,199	188,411	309,989	8,795,161
Additions	29,018	44,372	34,535	41,998	6,321	156,244
Disposals	-	-	-	(9,954)	-	(9,954)
At 31 March 2024	5,857,169	1,433,783	1,113,734	220,455	316,310	8,941,451
Depreciation						
At 1 April 2023	2,346,102	1,093,421	768,931	174,720	275,877	4,659,051
Charge for the year	112,083	87,175	46,963	10,625	17,691	274,537
Released on disposal	-	-	-	(9,954)	-	(9,954)
At 31 March 2024	2,458,185	1,180,596	815,894	175,391	293,568	4,923,634
Net book value						
At 31 March 2024	3,398,984	253,187	297,840	45,064	22,742	4,017,817
At 31 March 2023	3,482,049	295,990	310,268	13,691	34,112	4,136,110

Freehold land and buildings include land at cost of £121,010 (2023: £121,020) on which no depreciation is charged.

Included in Motor Vehicles are vehicles leased under finance leases with a net book value of £39,898 (2023: £nil).

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

18 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2023	5,828,151	1,389,411	1,079,199	188,411	326,189	8,811,361
Additions	29,018	44,372	34,535	41,998	6,321	156,244
Disposals	-	-	-	(9,954)	-	(9,954)
At 31 March 2024	5,857,169	1,433,783	1,113,734	220,455	332,510	8,957,651
Depreciation						
At 1 April 2023	2,346,102	1,093,421	768,931	174,720	283,277	4,666,451
Charge for the year	112,083	87,175	46,963	10,625	22,091	278,937
Released on disposal	-	-	-	(9,954)	-	(9,954)
At 31 March 2024	2,458,185	1,180,596	815,894	175,391	305,368	4,935,434
Net book value						
At 31 March 2024	3,398,984	253,187	297,840	45,064	27,142	4,022,217
At 31 March 2023	3,482,049	295,990	310,268	13,691	42,912	4,144,910

Freehold land and buildings include land at cost of £121,020 (2023: £121,020) on which no depreciation is charged.

Included in Motor Vehicles are vehicles leased under finance leases with a net book value of £39,898 (2023: £nil).

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

19 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2024 £	Group 2024 £
At 1 April 2023	155,000	5	4,458,278	4,613,283	4,613,278
Additions at cost	-	-	3,406,996	3,406,996	3,406,996
Disposals	-	-	(3,346,227)	(3,346,227)	(3,346,227)
Unrealised losses	-	-	(35,046)	(35,046)	(35,046)
Realised gain	-	-	235,205	235,205	235,205
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	155,000	5	4,719,206	4,874,211	4,874,206
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold investment property at 5-7 Fore Street, St Austell was last revalued on an open market basis on 25 April 2019 by Scott Burrige Commercial. The Trustees consider the valuation appropriate at the year end.

The cost of the above listed investments at 31 March 2024 was £4,452,503 (2023: £4,590,151). The cost of the freehold investment properties amounts to £290,000 (2023: £290,000).

Carrying amount of financial assets

	2024 £	2023 £
Instruments measured at fair value through profit or loss	4,719,206	4,458,278
	<hr/> <hr/>	<hr/> <hr/>

20 Stocks

	Company 2024 £	Group 2024 £	Company 2023 £	Group 2023 £
Goods for resale	3,470	69,456	3,470	76,809
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	<hr/>	<hr/>	<hr/>	<hr/>
	12,370	78,356	12,370	85,709
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

21 Debtors

	Company 2024 £	Group 2024 £	Company 2023 £	Group 2023 £
Gift Aid debtor	153,928	153,928	95,765	95,765
VAT recoverable	99,747	99,747	85,639	82,715
Amounts owed by group undertakings	-	-	-	-
Other debtors	36,044	37,720	19,079	19,079
Prepayments and accrued income	1,085,978	1,090,021	262,584	274,681
	<u>1,375,697</u>	<u>1,381,416</u>	<u>463,067</u>	<u>472,240</u>

22 Creditors: amounts falling due within one year

	Company 2024 £	Group 2024 £	Company 2023 £	Group 2023 £
Trade creditors	310,799	344,155	196,919	252,307
Other creditors	135,776	135,442	69,806	68,830
Other taxation and social security	150,613	155,819	135,813	136,698
Accruals	262,073	270,969	429,358	451,188
Deferred income (note 23)	17,611	86,905	33,006	100,135
Amounts owed to group undertakings	481,600	-	148,582	-
	<u>1,358,472</u>	<u>993,290</u>	<u>1,013,484</u>	<u>1,009,158</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

23 Deferred income

	Company 2024 £	Group 2024 £	Company 2023 £	Group 2023 £
At 1 April 2023	33,006	100,135	1,752	75,765
Released to income in year	(33,006)	(100,135)	(1,752)	(75,765)
Deferred in year	17,611	86,905	33,006	100,135
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	17,611	86,905	33,006	100,135
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Income is deferred in respect of Lottery income whereby players may pay in advance for weekly tickets on a quarterly, half yearly or annual basis. Other income is deferred in respect of education services and rental income where income has been received in advance of the education service being delivered, or the rental period.

24 Contingent assets

At 31 March 2024, the Charity had been notified of legacies receivable totalling an estimated £3.3m (2023: £2.8m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £595k (2023: £195k) which are subject to a life tenancy interest held by a third party and therefore, are also, not included in the Statement of Financial Activities as conditions for recognition have not been met.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

25 Restricted funds

The Company and the Group

	Project Appeal Fund	Bed Purchase Fund	St. Julia's Hospice Fund	Total
	£	£	£	£
At 1 April 2022	720,910	8,419	-	729,329
Income	-	36,000	-	36,000
Expenditure	(19,538)	(4,931)	-	(24,469)
At 1 April 2023	<u>701,372</u>	<u>39,488</u>	<u>-</u>	<u>740,860</u>
Income	-	-	206,235	206,235
Expenditure	(19,538)	(4,931)	(206,235)	(230,704)
At 31 March 2024	<u>681,834</u>	<u>34,557</u>	<u>-</u>	<u>716,391</u>

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect donations made in contribution to bed purchases for each unit. Depreciation on these beds of £4,931 is charged to reserves annually.

The St. Julia's Hospice Fund represent legacy income where funds are restricted for use in St. Julia's Hospice, funding has been used towards running costs of the hospice.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

26 Unrestricted funds

(a) The Company

[----- Designated Funds -----]

	Capital Fund	Revaluation Reserve	Future Deficit Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2023	3,427,650	23,127	569,609	2,000,000	4,373,988	10,394,374
Deficit for the year	-	-	-	-	(81,853)	(81,853)
Transfer	(126,224)	108,576	(569,609)	(250,000)	837,257	-
At 31 March 2024	3,301,426	131,703	-	1,750,000	5,129,392	10,312,521

(b) The Group

[----- Designated Funds -----]

	Capital Fund	Revaluation reserve	Future Deficit Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2023	3,436,449	23,127	105,625	2,000,000	4,977,163	10,542,364
Surplus for the year	-	-	-	-	312,623	312,623
Transfer	(130,623)	108,576	(105,625)	(250,000)	377,672	-
At 31 March 2024	3,305,826	131,703	-	1,750,000	5,667,458	10,854,987

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

26 Comparative unrestricted funds

(a) The Company

[----- Designated Funds -----]

	Capital Fund	Revaluation Reserve	Future Service Develop fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2022	3,433,491	133,527	-	1,000,000	4,748,921	9,315,939
Surplus for the year	-	-	-	-	1,078,435	1,078,435
Transfer	(5,841)	(110,400)	569,609	1,000,000	(1,453,368)	-
At 31 March 2023	3,427,650	23,127	569,609	2,000,000	4,373,988	10,394,374

(b) The Group

[----- Designated Funds -----]

	Capital Fund	Revaluation reserve	Future Service Develop Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2022	3,433,491	133,527	-	1,000,000	4,793,639	9,360,657
Surplus for the year	-	-	-	-	1,181,707	1,181,707
Transfer	2,958	(110,400)	105,625	1,000,000	(998,183)	-
At 31 March 2023	3,436,449	23,127	105,625	2,000,000	4,977,163	10,542,364

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

26 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 25).

The Revaluation Fund represents any changes in the recognised value of investment property and investments.

The Future Deficit Fund was established for any future deficits, this has been released to the General Fund in the current year.

The Legacies Fund has been established to mitigate the specific risk that arises around legacy income. Legacies present management with a unique risk, in that if they were to substantially reduce or stop all together management are unable to take management action that would influence this in the short to medium term. The legacy fund is therefore intended to fund any legacy shortfalls, which will allow time for expenditure to be reduced in a planned manner.

27 Analysis of net assets between funds

Consolidated fund balances at 31 March 2024 are represented by:

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	3,305,826	716,391	4,022,217
Investments	4,874,206	-	4,874,206
Current assets	3,668,245	-	3,668,245
Current liabilities	(993,290)	-	(993,290)
	<hr/>	<hr/>	<hr/>
	10,854,987	716,391	11,571,378
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Consolidated fund balances at 31 March 2023 are represented by:

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	3,404,050	740,860	4,144,910
Investments	4,613,278	-	4,613,278
Current assets	3,534,194	-	3,534,194
Current liabilities	(1,009,158)	-	(1,009,158)
	<hr/>	<hr/>	<hr/>
	10,542,364	740,860	11,283,224
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Commitments

Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company 2024 £	Group 2024 £	Company 2023 £	Group 2023 £
Expiring within 1 year	807,128	807,128	787,311	787,311
Expiring 2 - 5 years	2,576,758	2,576,758	2,722,453	2,722,453
Expiring in more than five years	1,959,551	1,959,551	2,476,841	2,476,841
	<u>5,343,437</u>	<u>5,343,437</u>	<u>5,986,605</u>	<u>5,986,605</u>
	Other		Other	
	Company 2024 £	Group 2024 £	Company 2023 £	Group 2023 £
Expiring within 1 year	23,995	23,995	23,995	23,995
Expiring 2-5 years	11,997	11,997	35,992	35,992
	<u>35,992</u>	<u>35,992</u>	<u>59,987</u>	<u>59,987</u>

29 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £Nil (2023: £Nil).

30 Ultimate controlling party

The ultimate controlling party of the charity are the members.

31 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

32 Reconciliation of operating deficit to net cash flow from operating activities

	2024 £	2023 £
Net income per statement of financial activities	288,154	1,193,238
(Gains)/Losses on investments	(200,159)	251,040
Investment income	(231,564)	(99,915)
Add back (profit)/loss on sale of tangible assets	(1,667)	-
Add back depreciation charge	278,937	308,114
Decrease in stocks	7,353	10,568
(Increase)/Decrease in debtors	(909,176)	150,055
(Decrease)/Increase in creditors	(15,869)	277,328
	<hr/>	<hr/>
Net cash provided by operating activities	(783,990)	2,090,428
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net debt

	1 April 2023 £	Cash flows £	31 March 2024 £
Cash at bank and in hand	2,976,245	(767,772)	2,208,473
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

33 Auditor's liability limitation agreement

For the year ended 31 March 2024, the charity entered into a liability limitation agreement with its auditors, the principal terms of which limit the liability of the auditors to £5,000,000 in relation to their responsibilities as auditors of the charity. The date this was agreed by the charity was 31 August 2024.

CORNWALL HOSPICE CARE LIMITED

England & Wales - Charity number 1113140

Accounts

**Cornwall Hospice Care Limited
(Limited by guarantee)**

**Report of the Members of the Board and
financial statements**

For the year ended 31 March 2023

Company registration number 05660401
Charity registration number 1113140

Cornwall Hospice Care Limited (Limited by Guarantee)

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Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2023 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Highlights of the Year

Patient Care

During the year we experienced two unannounced inspections by the Care Quality Commission, one at St Julia's Hospice and the second at Mount Edgcumbe Hospice. Both inspections were incredibly thorough and the CQC's feedback was very positive. We were delighted with the CQC's ratings following the inspections, with St Julia's being rated as Good and Mount Edgcumbe being rated as Outstanding.

During the year admission numbers have increased, as have the number of occupied bed days. Average stay has remained broadly in line with the previous year, as we continue to see patients with more complex conditions, leading to longer stays.

We have continued to provide 20 beds, ten at each of our hospice in-patient units, while also maintaining our important lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall.

We have experienced growth across our community services - hubs and Listening Ear service – which has been facilitated with the increased appetite for face to face sessions. In March 2023 we opened our Redruth Hub which is located in our Bargain Outlet. The hub will offer outpatient therapy appointments, living well workshops and activities aimed at encouraging patients to plan for their future.

We continue to be regulated by the Care Quality Commission.

Patient Care	2021/22	2022/23
Number of patients admitted	331	351
Number of patients discharged	122	105
Occupied bed days	5,397	5,529
Listening Ear - support calls	347	400
Lymphedema appointments	1,258	1,145
Advice Line calls	1,461	1,315
Hub patients seen	131	190

Patient Satisfaction

Feedback, good and bad, is vitally important for us as it allows us to make improvements where they may be needed. In the last year we received 2 complaints and 1 concern which is lower than the previous year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

These were all discussed with the parties involved and were resolved and closed satisfactorily. Internally, they were discussed at our Clinical Governance Committee to ensure any learning or opportunities for improvement were implemented.

Compliments

During 2022/23 we received 145 written compliments. Comments left by patients and families are anonymised and reported to the Clinical Governance Committee and summaries are also made available for staff to read.

During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

Finance

Our financial performance was positive in the year, boosted for a second year by significant legacy receipts. An overall surplus result of just under £1.2m was recorded, compared to a surplus budget for the year of £1.9m.

A surplus of £1.4m was generated from our Operations, which has then been reduced by losses on investments during the year meaning an overall surplus result of just below £1.2m is reported. Following two years of good performance, and exceptional legacy receipts, our reserves now stand at £11.3m.

Our total income was £12.5m, representing growth of 11% over the prior year, but falling 4% below budget. Legacy income is the main contributor to the shortfall to budget, as budgeted legacy receipts have been unexpectedly delayed and will now form part of the 2023/24 budgeted income.

Key areas of income growth during 2023/24 have been within Retail and Fundraising which have increased 14% and 34% respectively, compared to the prior year.

Expenditure has continued to be carefully managed during the year. However, inflationary cost pressures in staff costs, fuel and supplies have meant a 7% increase in overall expenditure compared to the prior year. Although, overall expenditure has remained in line with budget.

Fundraising & lottery

Net contribution from fundraising and lottery was ahead of budget in the year and ahead of the previous year, with promising growth being delivered in some key lines.

The strongest income stream was within the Lottery team, where weekly draw tickets achieved income of £697k, which is £21k ahead of budget and growth of 12% on the prior year.

Donations remained the strongest fundraising income stream which achieved led than last year, but was ahead of budget by some £29k achieving total income of £259k, this income stream includes one off donations, regular donations and major donations. In memory donations remained stable compared to the prior year, achieving income of £206k.

There were many stand out performances during the year including the "Around Cornwall in 38 Churns" project which raised £50k. Our annual Light up a Life event exceeded contribution of £30k for the first time since 2016 and there was also excellent success in the Community with the team raising £240k, ahead of budget by £35k.

Trust income struggled to maintain the successes of the previous years delivering £82k, a £24k shortfall from budget.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Unlike the prior year which continued to be affected by the Covid-19 pandemic there has been more stability during 2022/23, which has led to a more predictable environment. In light of this, we have initiated delivery of an overseas bespoke cycle challenge that will deliver in 2023/24, and have invested in updating resources to better equip the fundraising teams.

Lastly, gifts in Wills contributed £4.5M to our care in the year.

To everyone who has supported us, thank you. Without you, we would not be able to provide peace, comfort and calm when someone is nearing the end of their life.

Retail

Our network of shops has enjoyed a very successful year delivering a contribution to the cost of care of over £1.2m. Covid prompted a number of changes to the operating model during 2020 and 2021, and these have remained in place. Over 50,000 cars visited a donation centre during the year and over 1.1million items of donated stock were sold.

We operated through a network of 26 shops and three donation centres during the year. A number of shops were upgraded or relocated during the year, and we continue this investment activity with three new stores located in Penzance, Fowey and St Ives opening early in 2023/24.

By working closely with our recycling partners we have sought to reduce our environmental impact, working hard to ensure the maximum number of the goods donated to us are found a useful purpose and are kept away from landfill. We have found that the quality of items donated has increased during the year with around 45% being saleable (2021/22 35%), meaning less is needing to be recycled and therefore increasing our income per item.

Around 80 employees work in the retail business, and these have ably been supported by more than 350 volunteers during the year. The volunteer team have become ever more critical to the success that the division has enjoyed in recent times and the charity remains very grateful for their contributions.

Our People

The average number of staff employed across the organisation has increased from 249 to 259 full and part time permanent employees during the year. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has begun to grow again as we all become used to Covid being an ever present factor in our lives.

The over-arching aim of our people strategy remains to be an 'Employer of Choice' for Cornwall with this being delivered by;

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care. We continue to be a Real Living Wage employer with all employees receiving a basic hourly rate of pay of at least £10.90 from the beginning of 2023/24.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Gender Pay

The key measures from our gender pay report are set out below:

- A Mean gender pay gap of (plus) – 6.51%
- A Median gender pay gap of (minus) – 5.11%

Our Purpose and Values

These were developed with input from trustees, staff and volunteers during 2022/23 to form our new strategy for the period 2023-28. These were launched during April 2023 and have been well received across the Charity.

Our Purpose

Our Purpose is to provide compassionate, specialised end of life care for patients, their families and carers whilst guaranteeing our high quality standards. Together with our local community in Cornwall we will continue to make every day matter.

Our Value

We'll work together to achieve our purpose by following our values, which are:

- **Compassion** – the quality of being gentle, kind, caring and helpful.
- **Integrity** – being honest and having strong moral principles.
- **Togetherness** – valuing everyone who works or volunteers for our charity or uses our services, giving us all the information tools, independence and freedom to achieve.

Structure, governance and management

Status

The charity was incorporated on 21 December 2005, the company registration number is 05660401 and it is also a registered charity, registration number 1113140.

Governing document

The charity's governing document is its Memorandum and Articles of Association.

Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 14 members and there are five sub-committees.

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings were all held quarterly. All trustees have continued to be invited to attend all Committee meetings. Actual attendance levels have been high for all Committees.

Members of the Board

The following were members of the Board during the year:

Mr D W Renwick (Chair)	
Mrs S M Godzicz	
Dr S Hawkins	
Ms B Macintyre	<i>Resigned 8th July 2022</i>
Mr G Piercy	
Mrs S M Bamford	
Mrs L A Clarke	
Dr S Gupta	
Mr A C Naylor	
DR CJ Phillip	
Mrs D M R Roberts	<i>Appointed 27th June 2022</i>
Mrs L J Stubberfield	
Mr D Thomas	
Mr A J Whyte	

Mr Martin Davis was appointed as a Director on 23rd June 2023.

Mrs Godzicz, Mr Renwick and Mr Piercy (appointed 16th May 2023) also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

Board Committees

There are five sub-committees of the Board. Membership of these Committees during the year is set out below:

<i>Clinical Services Committee</i>	<i>Finance Committee</i>	<i>Income Generation Committee</i>	<i>Governance Committee</i>	<i>Remuneration Committee</i>
Dr S Hawkins (Chair)	Mrs S M Godzicz (Chair)	Mr G Piercy (Chair)	Mr D Renwick (Chair)	Mr D W Renwick
DR C J Phillip	Mr A Naylor	Mr D Thomas	Dr S Hawkins	Dr S Hawkins
Mrs L J Stubberfield	Mr A J Whyte	Mrs L Clarke	Mrs S M Godzicz	Mrs S M Godzicz
Dr S Gupta	Mr D W Renwick		Dr C Phillip	Mr G Piercy
Mr D W Renwick	Dr S Hawkins		Mrs L J Stubberfield	
Mrs D M R Roberts	Mrs S M Bamford		Mr G Piercy	

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The table represents core membership only, but trustees are encouraged to attend any committee meeting should they so wish.

Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

Executive Officers

Chief Executive: Paul Brinsley

Director of Clinical Services: Gina Starnes

Finance Director & Company Secretary: Graham Clarke

Principal address and registered office

Mount Edgumbe Hospice,
Porthpean Road
St Austell
Cornwall
PL26 6AB
www.cornwallhospicecare.co.uk

Advisers

Solicitors: **Michelmores LLP**
Woodwater House
Pynes Hill
Exeter, EX2 5WR

Auditors: **RRL**
Peat House
Newham Road
Truro, TR1 2DP

Investments: **ABDRN**
280 Bishopsgate, London
EX2M 4AG

Bankers: **Barclays Bank PLC**
14 King Street
Truro, TR1 2RB

RBC Brewin Dolphin
Vantage Point
Woodwater Park
Pynes Hill
Exeter, EX2 5FD

Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Details of transactions with those parties are included in note 14 of the financial statements.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Report of the Chair

This last year has seen our hospice return to something more normal following the major disruptions caused by the pandemic. Our clinical teams have been free to provide the full range of services and our income generation teams have operated free of any covid restrictions.

Our beds have remained open, and our services have operated effectively throughout the year. I would like to thank all of our staff for their excellent work and dedication. The last year has been challenging, but we have been able to deliver some truly excellent results, both clinically and financially.

During the year we updated and refreshed our strategic plan, including our purpose, values and ambitions covering the period 2023-2028. This was done after seeking input from our staff and volunteers along with our patients, their families and other stakeholders. The plan that we have developed leaves us well placed to provide compassionate, specialised end of life care to our patients, their families and carers, whilst guaranteeing our high quality standards of care. Together with our local community in Cornwall we will continue to make every day matter.

We continue to provide 20 beds, ten at each of our hospices, while also maintaining our excellent Lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall. During the year we were delighted to open a community hub inside our Redruth shop, bringing together for the first time the two sides of our charity under one roof.

We were pleased to receive feedback from two CQC inspection visits that took place during the year, leading to one rating of outstanding and one of good.

We had one retirement from the Board during the year; Beverly MacIntyre, our Chair of Income Generation left us in July. We were pleased to welcome two new Board members. Dom Roberts, joined the Board and Clinical Services Committee in June 2022. Martin Davis arrived in June 2023 and will also work on the clinical side.

As ever, I would like to thank my fellow trustees for their enthusiasm, hard work and contribution during the past year as we embarked on the exciting early stages of our new strategy.

David Renwick

Chair of Trustees

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgcumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our advice line that provides advice and support to healthcare professionals 24 hours a day 7 days a week
- Our lymphoedema service supporting patients
- Our community services providing outpatient services to patients and bereavement support to patients, carers and families.

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

Public benefit

The members of the Board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the members of the Board consider how planned activities will contribute to the aims and objectives set.

Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has been a very positive one during which we have been able to maintain bed numbers across the two hospices at 20. It underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us. This followed our pledge in the last Quality Account to increase salaries where appropriate, to mirror or exceed the NHS Agenda for Change pay scales. We also increased holiday allowances for clinical staff. The net result is an ability to recruit and retain the skilled staff we need.

We have also developed our Community Services to offer Neighbourhood Hub support clinics in locations towns and at our hospices, Community Friendship Cafés, Wellbeing Workshops and Bereavement Friendship Support Groups. We are often operating in collaboration with other organisations and charities and I see this collaboration developing as we all work together to offer exceptional support to those patients living with their conditions in our communities.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

I continue to be humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standard of care. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration.

Paul Brinsley

Chief Executive

Our Ambitions 2023-2028

Our agreed ambitions for the period to up to March 2024 are set out below.

Our Ambitions

1. Work in partnership to grow our charity for the future, ensuring close working relationships across all our departments, We will also continue to work collaboratively with our external partners.
2. Develop our learning and education to ensure all our staff and volunteers and where relevant, those from our external partners have the knowledge, skills and competencies to fulfil their roles.
3. Raise sufficient funds to protect and grow our hospice services through a range of income generation activities.
4. Work towards lowering our environmental impact by implementing, where possible, sustainable systems and processes in all areas of the charity's operations.
5. Be innovative in our own individual areas, teams and across the charity to deliver continuous improvement in all we do.

Progress made during 2022/23

1. Work in partnership to develop community services to meet identified needs

The hospices have worked hard to reach out and work in partnership with our NHS, independent and charity sector colleagues to support a seamless service around the patient and their family. This piece of work is hugely important and continues to be an area where we strive to improve the whole system wide service.

Our own Community Services Team have introduced new services and locations throughout the year to expand our offer of practical help, with a focus on providing support for patients in their cares and to those who have been bereaved.

2. Ensure the clinical governance of the charity is fit for the future

During the year we have made good progress towards becoming Nurse led units. Our pay and benefits are now competitive with the NHS, leading to an improved ability to recruit and retain the skills required.

Our Advanced Nurse Practitioner (ANP) is well established and is available to support patients both in our hospices, but also in their own homes, and works collaboratively across care settings and specialities, to best support patients. This work has received positive feedback from patients, families and healthcare professionals.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Priorities for 2023-24

1. Future proof our Hospice buildings and systems

- We will as far as possible seek to future proof the life of our buildings by upgrading and making them as energy efficient as possible. This will not only extend the life of our buildings, but also generate cost savings.
- Continuing the work we did during 22/23, we will progress the implementation of automated patient record systems for the future.
- We will seek to improve privacy and dignity at our Mount Edgcumbe Hospice, with a project around the modernisation of our bed bays.

2. Ensuring continuation of a collaborative approach to enhance system wide knowledge and reach around end of life care.

- As well as maintaining our inpatient beds, we will continue to work with our NHS, independent and charity sector colleagues with the view to developing a system wide, seamless service, that centres around the patient and their family.
- We will continue with our vision to provide end of life education across the county, helping to ensure that staff at all levels, and in multiple settings are well equipped with the communication and listening skills required.

Risk Management and Internal Control

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping key internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed at each meeting by the Board.

The key strategic risks monitored during the year included a failure in our care and the risks to funding caused by staff and volunteer shortages across our income generation activities. The Board has set a risk framework and categorises risks by impact and likelihood and the necessary level of management or mitigation. The Board has also reviewed and agreed our risk appetite.

Going concern basis of accounting and long-term viability

The Directors carried out a review of the company's operating budget and cash flow projection for the coming year 2023/24 along with its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

The Directors also monitor closely future expectation for legacy income, which continues to be supported by a strong pipeline. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the executive team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

An overall surplus result of £1.19m was recorded in the period which compared to a budgeted surplus of £1.92m. This result represents an improvement of £0.18m compared to the previous year. This is the second year where we have received an exceptional level of legacy income, which has boosted the bottom line surplus result for the year.

Our income generation teams have continued to have successful years, generating returns that were ahead of budget.

The financial performance is summarised in the table below:

Financial Summary £000s	2022/23 Actual	2022/23 Budget	2021/22 Actual
Total Income	12,523.2	13,015.0	11,295.9
Expenditure	11,078.9	11,090.7	10,321.1
Operating Result	1,444.3	1,924.3	974.7
Gain / (loss) on investments & property	-251.0	0.0	29.7
Gain / (loss) on disposal of fixed assets	0.0	0.0	0.0
Gain / (Loss) on pension scheme provision		0.0	
Surplus / deficit	1,193.2	1,924.3	1,004.4

Income

The table below sets out a summary of income as recorded in our management accounts for the year and included in the notes to the financial statements.

The total income earned in the year grew to £12.5m which was £0.5m (4.35%) less than budget but £1.2m (11%) better than last year. We enjoyed a very positive result in legacies, where the total amount of gifts in wills left to us was £4.5m in the year, our best ever result. This income came from 53 estates with gifts ranging in value from £500 up to £2.6m.

The pipeline of known legacy receipts remains strong and we remain confident that we are heading for another strong performance in 2023/24.

Fundraising income came in below budget for the year, due to the removal of a couple of events from the calendar due to capacity. Retail income exceeded budget for the year by over £0.17m.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Income Summary £000s	2022/23 Actual	2022/23 Budget	2021/22 Actual
Legacies	4,479.0	5,200.0	3,716.7
Donations	465.2	454.7	528.7
Fundraising	785.9	811.7	585.1
Gross income from Retail	4,593.0	4,421.3	4,024.2
Gross income from Lottery	759.4	749.1	703.5
Income from clinical contracts	1,102.9	1,102.9	1,060.5
Covid 19 Grants	0.0	0.0	335.5
Investment Income	99.9	116.1	93.6
All other income	237.9	159.1	248.1
Total Income	12,523.2	13,015.0	11,295.9

Expenditure

Total expenditure for the year was as budgeted at £11.1m, representing growth of £0.8m (7%) compared to last year. The growth in expenditure was expected as a result of inflationary pressure on staff costs, fuels and supplies.

Actual expenditure for the year was in line with budget at £11.1m. The growth in expenditure compared to the previous years arises due to the inflationary pressures during the year around fuel costs, staff costs and the cost of living crisis and the known on effect that these had on other supplies used in patient care.

The table below sets out the summary of expenditure incurred.

Expenditure Summary £000s	2022/23 Actual	2022/23 Budget	2021/22 Actual
Retail	3,457.8	3,399.1	3,203.8
Lottery	324.2	326.0	294.2
Cost of raising funds	521.3	474.9	419.1
Provision of care	6,627.5	6,740.6	6,229.3
Support costs	148.1	150.0	174.7
Total Expenditure	11,078.9	11,090.7	10,321.1

Gain on investments

The value of the hospice listed investment portfolio reduced by £251k. Markets, and particularly bond markets which have historically been used to mitigate risk, have experienced much volatility throughout the year which has led to this reduction in year end valuation.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

Reserves policy

The Board through the Finance Committee review the reserves policy annually. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision continues to bring uncertainty, but this was mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate, the increasing cost of living and ever-growing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

Financial Resilience

Total free reserves of £5.0m were held by the charity at 31st March 2023. This comprises a general reserve equating to 3 months running costs plus a balance of £2m, which the Trustees believe it is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

It is also worth identifying here that Note 30 details legal operating lease commitments within 5 years of of £3.5m (2022: £2.3m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short- and medium-term expenditure, which it recognises may not be covered by a guaranteed income stream. In previous years, designated funds have included amounts for the roll out of our community services. We now see these as part of our core service and will not include them here.

Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way.

The majority of the work is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

Executive Remuneration

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, Finance Director and the Director of Clinical Services. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Investment policy and objectives

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by Aberdeen Standard Capital and Brewin Dolphin.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year exceeded the Board's stated minimum requirement.

The charity also owns three properties, other than the hospice buildings. Two of these are used for our own retail operation. The other is rented to a third party to produce an income stream and we also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements. During the year we have continued to utilise the Insignis treasury management facility.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

Our impact on the environment

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- Continued with only providing reused bags or our own paper bags throughout our retail network and not shrink wrapping furniture prior to delivery
- Began a programme of replacing end of life light fittings with LED lighting, which will reduce power consumption.
- The solar panels installed at St Julia's hospice generated over 15,000 kwh of power during the year.
- We have been exploring the options and viability of becoming carbon neutral across our two inpatient units.
- We have introduced a number of awareness strategies across the organisation which are aimed at reducing power wastage.

Tax status

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

Accounting and reporting responsibilities of the Board

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. 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 Charities SORP 2019 (FRS 102)
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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 group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

Statement of disclosure to auditor

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board



G I Clarke
Company Secretary

07/11/23

Porthpean Road
St Austell
Cornwall

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

Opinion

We have audited the financial statements of Cornwall Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 of which comprise of the group statement of financial activities, group and company balance sheet, group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to safeguarding, health and safety and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Our audit approach also considered the opportunities and incentives that may exist within the charitable company for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Undertaking transactional testing on legacy income which specifically considers whether recognition is in line with the requirements of the accounting standards
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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

RRL LLP

Josh Stevens ACA

Senior Statutory Auditor

For and on behalf of RRL LLP

Statutory Auditors

Peat House

Newham Road

TRURO

Cornwall

TR1 2DP

14/11/2023

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated statement of financial activities

For the year ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income					
Donations & legacies	4	4,908,158	36,000	4,944,158	4,245,432
Income from Charitable Activities	5	1,102,884	-	1,102,884	1,060,463
Income from Other Trading Activities:					
Commercial trading operations	6	5,352,362	-	5,352,362	4,727,712
Fundraising	6	785,945	-	785,945	585,128
Covid-19 support income	7	-	-	-	335,473
Other income		237,934	-	237,934	248,099
Investment income	8	99,915	-	99,915	93,559
Total Income		12,487,198	36,000	12,523,198	11,295,866
Expenditure					
Expenditure on raising funds					
Commercial trading activities		3,782,000	-	3,782,000	3,497,975
Costs of generating donations and legacies		492,094	-	492,094	391,124
Investment portfolio fees		29,240	-	29,240	28,009
Expenditure on charitable activities					
Provision of care		6,603,026	24,469	6,627,495	6,229,245
Support costs		148,091	-	148,091	174,747
Total Expenditure	9	11,054,451	24,469	11,078,920	10,321,100
Net (losses)/gains on investments		(251,040)	-	(251,040)	39,002
Net income/(expenditure)		1,181,707	11,531	1,193,238	1,013,768
Other recognised gains and losses					
Loss on disposal of investment property		-	-	-	(9,381)
Net movement in funds		1,181,707	11,531	1,193,238	1,004,387
Reconciliation of funds:					
Fund balances brought forward		9,360,657	729,329	10,089,986	9,085,599
Fund balances carried forward	27,28,29	10,542,364	740,860	11,283,224	10,089,986

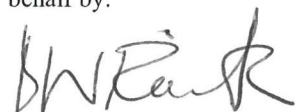
Cornwall Hospice Care Limited (Limited by Guarantee)

Balance sheet

As at 31 March 2023

	Notes	The Company 2023 £	The Group 2023 £	The Company 2022 £	The Group 2022 £
Fixed assets					
Tangible assets	18,19	4,136,110	4,144,910	4,162,820	4,176,020
Intangible assets	20	-	-	-	-
Investments	21	4,613,283	4,613,278	4,817,568	4,817,563
		<u>8,749,393</u>	<u>8,758,188</u>	<u>8,980,388</u>	<u>8,993,583</u>
Current assets					
Stock	22	12,370	85,709	20,979	96,277
Debtors	23	463,067	472,240	751,448	622,295
Cash at bank and in hand		2,923,888	2,976,245	906,580	1,109,661
		<u>3,399,325</u>	<u>3,534,194</u>	<u>1,679,007</u>	<u>1,828,233</u>
Creditors: amounts falling due within one year	24	<u>(1,013,484)</u>	<u>(1,009,158)</u>	<u>(614,127)</u>	<u>(731,830)</u>
Net current assets		<u>2,385,841</u>	<u>2,525,036</u>	<u>1,064,880</u>	<u>1,096,403</u>
Total net assets		<u>11,135,234</u>	<u>11,283,224</u>	<u>10,045,268</u>	<u>10,089,986</u>
The funds of the charity					
Restricted funds	27	740,860	740,860	729,329	729,329
Unrestricted funds	28	10,394,374	10,542,364	9,315,939	9,360,657
Total funds		<u>11,135,234</u>	<u>11,283,224</u>	<u>10,045,268</u>	<u>10,089,986</u>

These financial statements were approved by the Members of the Board on ^{7/4/23}..... and were signed on its behalf by:



DW Kenwick

Director

Company registration no.: 05660401

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated cash flow statement

For the year ended 31 March 2023

	<i>Note</i>	2023	2022
		£	£
Cash provided by operating activities	34	2,090,428	1,728,350
Cash flows from investing activities			
Interest income		5,020	228
Dividends income		73,595	52,973
Rental income from investment property		21,300	40,358
		<u>99,915</u>	<u>93,559</u>
Purchase of tangible fixed assets		(276,998)	(147,394)
Purchase of investments		(1,422,911)	(1,993,227)
Receipts from sale of investments		1,376,150	824,662
Net cash (outflows)/inflows from investing activities		<u>(323,759)</u>	<u>(1,315,959)</u>
Increase in cash equivalents		1,866,584	505,950
Cash and cash equivalents at 1 April 2022		<u>1,109,661</u>	<u>603,711</u>
Cash and cash equivalents at 31 March 2023		<u><u>2,976,245</u></u>	<u><u>1,109,661</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 13 members at 31 March 2023 (2022: 13). The registered office is recorded in the Trustees' report.

2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited, Cornwall Hospice Care Lottery Limited and Resource Kernow Newco Ltd.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

3 Accounting policies

3.1 Accounting convention

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

Cornwall Hospice Care Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

3.2 Going concern

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

3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.4 *Fixed asset investments*

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

3.5 *Operating leases*

Rentals under operating leases are charged on a straight line basis over the lease term.

3.6 *Stocks*

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical.

3.7 *Income*

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

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of a legacy, in whole or in part, is only made when the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

3.8 *Grants receivable & deferred income*

Grants receivable are recognised as incoming resources in the year to which they relate. Grants are deferred where they relate to a specified future period. They may be repayable in certain circumstances.

3.9 *Expenditure*

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

3.10 *Investment properties*

In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.11 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

3.12 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

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

3.13 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

3.14 *Judgements and key sources of estimation uncertainty*

In the application of the group'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.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

4 Donations and legacies

	2023 £	2022 £
Legacies	4,478,984	3,716,722
Donations	465,174	528,710
	<u>4,944,158</u>	<u>4,245,432</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

5 Income from charitable activities

	2023 £	2022 £
Health authority contract	<u>1,102,884</u>	<u>1,060,463</u>

6 Income from trading activities

Commercial operations

	2023 £	2022 £
Gross Income from shops	4,592,962	4,024,184
Gross Income from Lottery	759,400	703,528
	<u>5,352,362</u>	<u>4,727,712</u>

Fundraising

	2023 £	2022 £
Trusts and grants	82,488	124,746
Fundraising activities	703,457	460,382
	<u>785,945</u>	<u>585,128</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

7 Covid-19 support grant income

	Group 2023 £	Group 2022 £
Grant income from NHS England	-	192,023
Job Retention Scheme grant income	-	21,160
Local Authority grant income	-	122,290
	<hr/>	<hr/>
	-	335,473
	<hr/> <hr/>	<hr/> <hr/>

8 Investment income

	Group 2023 £	Group 2022 £
Property	21,300	40,358
Bank interest	5,020	228
Listed investments	73,595	52,973
	<hr/>	<hr/>
	99,915	93,559
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

9 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2023 Total £	2022 Total £
Staff costs	5,666,771	305,932	1,886,158	30,716	7,889,577	7,549,239
Patient care	104,604	-	-	-	104,604	40,168
Medical supplies & drugs	66,390	-	-	-	66,390	69,926
Catering & domestic supplies	71,616	-	-	-	71,616	59,469
Travel expenses	13,946	-	-	-	13,946	11,804
Training & education	50,997	-	309	-	51,306	52,449
Laundry	16,281	-	-	-	16,281	13,331
Electricity & Gas	71,036	-	-	-	71,036	44,013
Telephone	43,111	-	-	-	43,111	54,430
Rates and water	3,472	-	-	-	3,472	18,234
Uniforms	6,689	-	-	-	6,689	3,268
Printing, Postage and stationery	36,652	-	10,327	-	46,979	33,241
Insurance	33,728	-	-	-	33,728	37,488
Repairs and maintenance	144,366	-	-	-	144,366	119,846
Depreciation	147,344	-	160,770	-	308,114	278,118
Direct fundraising costs	-	95,012	-	-	95,012	46,242
Department fundraising costs	-	61,105	-	-	61,105	56,953
Banking charges	-	3,598	16,490	-	20,088	18,923
Administration charge	150,492	14,507	105,592	-	270,591	197,238
Audit and accountancy	-	-	-	18,058	18,058	15,302
Legal and professional fees	-	-	-	99,317	99,317	113,650
Irrecoverable VAT	-	11,940	-	-	11,940	11,291
Cost of sales	-	-	295,652	-	295,652	267,718
Shops operating expenses	-	-	1,294,698	-	1,294,698	1,167,499
Investment portfolio fees	-	29,240	-	-	29,240	28,009
Staff relocation & recruitment	-	-	12,004	-	12,004	13,251
	<u>6,627,495</u>	<u>521,334</u>	<u>3,782,000</u>	<u>148,091</u>	<u>11,078,920</u>	<u>10,321,100</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

10 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within note 9 and the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	30,716	Key management allocated on time
Audit and accountancy	18,058	Governance
Legal and professional	99,317	Governance
	<hr/>	
	148,091	
	<hr/> <hr/>	

11 Net income/(expenditure) for the year

This is stated after charging the following:

	2023 £	2022 £
Auditors’ remuneration – audit (group)	18,058	15,302
Operating leases	722,782	697,340
Depreciation (group)	308,114	278,118
	<hr/> <hr/>	<hr/> <hr/>

12 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2023	2022
Staff and management	259	249
	<hr/> <hr/>	<hr/> <hr/>

The aggregate payroll costs of these persons were as follows:

	2023 £	2022 £
Wages and salaries	6,785,031	6,450,178
Social security costs	616,019	566,357
Other pension costs	488,527	517,576
Termination payments	-	15,128
	<hr/> <hr/>	<hr/> <hr/>
	7,889,577	7,549,239
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Other pension costs represent employer's defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Six employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2023	2022
£60,000 to £70,000	2	6
£70,000 to £80,000	2	4
£80,000 to £90,000	1	-
£90,000 to £100,000	1	1
£100,000 to £110,000	-	-
£110,000 to £120,000	-	-

The key management personnel of the group comprise of the Chief Executive, Finance Director and Director of Clinical Services. The combined employee benefits of these three personnel totalled £336,436 (2022: £324,877, three personnel). In the prior year Cornwall Hospice Care Limited employed four consultants, who were paid at the NHS rate, these consultants were included in the bandings above for 2022.

13 Pension costs

Defined benefit scheme:

NHS pension scheme

The charity contributes on behalf of its employees to the National Health Service pension scheme.

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £235,670 (2022: £260,496).

Contributions amounting to £32,096 (2022: £31,588) were payable to the Fund at 31 March 2023 and are included in other creditors.

Standard Life Scheme

The charity operates a Group Personal Pension Scheme for those people not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008, and the charity makes voluntary contributions (currently up to 10% of salary) to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

Auto Enrolment

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £252,857 (2022: £257,370).

Contributions amounting to £36,522 (2022: £35,707) were payable to the Fund at 31 March 2023 and are included in other creditors.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

14 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2022: £Nil).

Further details in relation to related party transactions can be found in note 33.

15 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities.

Resource Kernow Newco Ltd was a dormant subsidiary that was no longer required and as such was dissolved during the year.

A summary of the results of the subsidiaries is shown below:

	Cornwall Hospice Care Trading Limited	Cornwall Hospice Care Lottery Limited	Resource Kernow Newco Ltd	Total 2023	Total 2022
	£	£	£	£	£
<i>Per company accounts</i>					
Turnover	200,706	759,400	-	960,106	889,086
Cost of sales	(91,782)	(203,867)	-	(295,649)	(267,719)
Administrative expenses	(50,374)	(120,356)	-	(170,730)	(162,534)
Interest receivable	4,258	-	-	4,258	-
	62,808	435,177	-	497,985	458,833
Amount distributed to the charity via Gift Aid	(44,287)	(350,447)	-	(394,734)	(474,652)
Result in the subsidiary	18,521	84,730	-	103,251	(15,819)

The assets and liabilities of the subsidiaries were:

	Cornwall Hospice Care Trading Limited	Cornwall Hospice Care Lottery Limited	Resource Kernow Newco Ltd	Total 2023
	£	£	£	£
<i>Per company accounts</i>				
Fixed Assets	-	8,800	-	8,800
Current assets	104,398	181,996	-	286,394
Current liabilities	(41,586)	(105,618)	-	(147,204)
Total net assets	62,812	85,178	-	147,990
Aggregate share capital and reserves	62,812	85,178	-	147,990

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

16 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 15.

The summary financial performance of the charity alone is:

	Total 2023 £	Total 2022 £
Income	11,627,374	10,494,817
Gift aid from subsidiaries	394,734	474,652
	<hr/>	<hr/>
	12,022,108	10,969,469
Expenditure on charitable activities	10,932,142	9,949,240
	<hr/>	<hr/>
Net income	1,089,966	1,020,229
Total funds brought forward	10,045,268	9,025,039
	<hr/>	<hr/>
Total funds carried forward	11,135,234	10,045,268
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Restricted funds	740,860	729,329
Unrestricted funds	10,394,374	9,315,939
	<hr/>	<hr/>
Total funds carried forward	11,135,234	10,045,268
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

17 Comparative period statement of financial activities

Consolidated	Unrestricted funds £	Restricted funds £	Total 2022 £
Income			
Donations & legacies	4,245,432	-	4,245,432
Income from Charitable Activities	1,060,463	-	1,060,463
Income from Other Trading Activities:			
Commercial trading operations	4,727,712	-	4,727,712
Fundraising	585,128	-	585,128
Covid-19 support income	143,450	192,023	335,473
Other income	248,099	-	248,099
Investment income	93,559	-	93,559
	-----	-----	-----
Total Income	11,103,843	192,023	11,295,866
	-----	-----	-----
Expenditure			
Expenditure on raising funds			
Commercial trading activities	3,497,975	-	3,497,975
Costs of generating donations and legacies	391,124	-	391,124
Investment portfolio fees	28,009	-	28,009
Expenditure on charitable activities			
Provision of care	6,016,353	212,892	6,229,245
Support costs	174,747	-	174,747
	-----	-----	-----
Total Expenditure	10,108,208	212,892	10,321,100
	-----	-----	-----
Net gains on investments	39,002	-	39,002
	-----	-----	-----
Net income/(expenditure)	1,034,637	(20,869)	1,013,768
	-----	-----	-----
Other recognised gains and losses			
Gain on disposal of fixed assets	-	-	-
Loss on disposal of investment property	(9,381)	-	(9,381)
Pension Liability	-	-	-
	-----	-----	-----
Net movement in funds	1,025,256	(20,869)	1,004,387
	-----	-----	-----
Reconciliation of funds:			
Fund balances brought forward	8,335,401	750,198	9,085,599
	-----	-----	-----
Fund balances carried forward	9,360,657	729,329	10,089,986
	=====	=====	=====

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

18 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2022	5,817,272	1,270,719	964,787	188,411	276,968	8,518,157
Additions	10,879	118,692	114,412	-	33,021	277,004
Disposals	-	-	-	-	-	-
At 31 March 2023	5,828,151	1,389,411	1,079,199	188,411	309,989	8,795,161
Depreciation						
At 1 April 2022	2,234,083	989,840	729,090	153,571	248,753	4,355,337
Charge for the year	112,019	103,581	39,841	21,149	27,124	303,714
Released on disposal	-	-	-	-	-	-
At 31 March 2023	2,346,102	1,093,421	768,931	174,720	275,877	4,659,051
Net book value						
At 31 March 2023	3,482,049	295,990	310,268	13,691	34,112	4,136,110
At 31 March 2022	3,583,189	280,879	235,697	34,840	28,215	4,162,820

Freehold land and buildings includes land at cost of £121,020 (2022: £121,020) on which no depreciation is charged.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

19 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
<i>Cost or valuation</i>						
At 1 April 2022	5,817,272	1,270,719	964,787	188,411	293,168	8,534,357
Additions	10,879	118,692	114,412	-	33,021	277,004
Disposals	-	-	-	-	-	-
At 31 March 2023	5,828,151	1,389,411	1,079,199	188,411	326,189	8,811,361
<i>Depreciation</i>						
At 1 April 2022	2,234,083	989,840	729,090	153,571	251,753	4,358,337
Charge for the year	112,019	103,581	39,841	21,149	31,524	308,114
Released on disposal	-	-	-	-	-	-
At 31 March 2023	2,346,102	1,093,421	768,931	174,720	283,277	4,666,451
<i>Net book value</i>						
At 31 March 2023	3,482,049	295,990	310,268	13,691	42,912	4,144,910
At 31 March 2022	3,583,189	280,879	235,697	34,840	41,415	4,176,020

Freehold land and buildings includes land at cost of £121,020 (2022: £121,020) on which no depreciation is charged.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

20 Intangible assets - group

	Goodwill £	Total £
<i>Cost or valuation</i>		
At 1 April 2022	-	-
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2023	-	-
	<hr/>	<hr/>
<i>Depreciation</i>		
At 1 April 2022	-	-
Charge for the year	-	-
Released on disposal	-	-
	<hr/>	<hr/>
At 31 March 2023	-	-
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 March 2023	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2022	-	-
	<hr/> <hr/>	<hr/> <hr/>

21 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2023 £	Group 2023 £
At 1 April 2022	155,000	5	4,662,563	4,817,568	4,817,563
Additions at cost	-	-	1,422,911	1,422,911	1,422,911
Disposals	-	-	(1,376,150)	(1,376,150)	(1,376,150)
Unrealised losses	-	-	(20,991)	(20,991)	(20,991)
Realised losses	-	-	(230,055)	(230,055)	(230,055)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	155,000	5	4,458,278	4,613,283	4,613,278
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold investment property at 5-7 Fore Street, St Austell was last revalued on an open market basis on 25 April 2019 by Scott Burridge Commercial. The Trustees consider the valuation appropriate at the year end.

The cost of the above listed investments at 31 March 2023 was £4,590,151 (2022: £4,529,036). The cost of the freehold investment properties amounts to £290,000 (2022: £290,000).

Carrying amount of financial assets

	2023 £	2022 £
Instruments measured at fair value through profit or loss	4,458,278	4,662,563
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

22 Stocks

	Company 2023 £	Group 2023 £	Company 2022 £	Group 2022 £
Goods for resale	3,470	76,809	12,079	87,377
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	<u>12,370</u>	<u>85,709</u>	<u>20,979</u>	<u>96,277</u>

23 Debtors

	Company 2023 £	Group 2023 £	Company 2022 £	Group 2022 £
Gift Aid debtor	95,765	95,765	89,607	89,607
VAT recoverable	85,639	82,715	58,222	56,414
Amounts owed by group undertakings	-	-	128,249	-
Other debtors	19,079	19,079	59,400	59,381
Prepayments and accrued income	262,584	274,681	412,168	416,893
	<u>463,067</u>	<u>472,240</u>	<u>747,646</u>	<u>622,295</u>

24 Creditors: amounts falling due within one year

	Company 2023 £	Group 2023 £	Company 2022 £	Group 2022 £
Trade creditors	196,919	252,307	133,910	141,438
Other creditors	69,806	68,830	70,186	69,179
Other taxation and social security	135,813	136,698	129,967	130,705
Accruals	429,358	451,188	278,312	314,743
Deferred income (note 25)	33,006	100,135	1,752	75,765
Amounts owed to group undertakings	148,582	-	-	-
	<u>1,013,484</u>	<u>1,009,158</u>	<u>614,127</u>	<u>731,830</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

25 Deferred income

	Company 2023 £	Group 2023 £	Company 2022 £	Group 2022 £
At 1 April 2022	1,752	75,765	10,680	81,294
Released to income in year	(1,752)	(75,765)	(31,309)	(101,923)
Deferred in year	33,006	100,135	22,381	96,394
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	33,006	100,135	1,752	75,765
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Income is deferred in respect of Lottery income whereby players may pay in advance for weekly tickets on a quarterly, half yearly or annual basis. Other income is deferred in respect of education services and rental income where income has been received in advance of the the education service being delivered, or the rental period.

26 Contingent assets

At 31 March 2023, the Charity had been notified of legacies receivable totalling an estimated £2.8m (2022: £4.0m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £195k (2022: £195k) which are subject to a life tenancy interest held by a third party.

27 Restricted funds

The Company and the Group

	Project Appeal Fund £	Bed Purchase Fund £	NHSE Covid-19 support grant £	Total £
At 1 April 2021	740,448	9,750	-	750,198
Income	-	-	192,023	192,023
Expenditure	(19,538)	(1,331)	(192,023)	(212,892)
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 April 2022	720,910	8,419	-	729,329
Income	-	36,000	-	36,000
Expenditure	(19,538)	(4,931)	-	(24,469)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	701,372	39,488	-	740,860
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect donations made in contribution to bed purchases for each unit. Depreciation on these beds of £4,931 is charged to reserves annually.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Unrestricted funds

	----- Designated Funds -----]					
	Capital Fund	Revaluation Reserve	Future Deficit Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
(a) The Company						
At 1 April 2022	3,433,491	133,527	-	1,000,000	4,748,921	9,315,939
Surplus for the year	-	-	-	-	1,078,435	1,078,435
Transfer	(5,841)	(110,400)	569,609	1,000,000	(1,453,368)	-
At 31 March 2023	3,427,650	23,127	569,609	2,000,000	4,373,988	10,394,374
(b) The Group						
At 1 April 2022	3,433,491	133,527	-	1,000,000	4,793,639	9,360,657
(Deficit)/surplus for the year	-	-	-	-	1,181,707	1,181,707
Transfer	2,958	(110,400)	105,625	1,000,000	(998,183)	-
At 31 March 2023	3,436,449	23,127	105,625	2,000,000	4,977,163	10,542,364

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Comparative unrestricted funds

	(a) The Company						Total
	Capital Fund	Revaluation Reserve	Future Service Develop fund	Legacies Fund	General Reserve		
	£	£	£	£	£	£	
At 1 April 2021	3,556,546	170,455	306,439	-	4,241,401	8,274,841	
Surplus/(Deficit) for the year	-	-	(169,400)	-	1,210,498	1,041,098	
Transfer	(123,055)	(36,928)	(137,039)	1,000,000	(702,978)	-	
At 31 March 2022	3,433,491	133,527	-	1,000,000	4,748,921	9,315,939	
	(b) The Group						Total
	Capital Fund	Revaluation reserve	Future Service Develop Fund	Legacies Fund	General Reserve		
	£	£	£	£	£	£	
At 1 April 2021	3,556,546	170,455	306,439	-	4,301,961	8,335,401	
Surplus/(Deficit) for the year	-	-	(169,400)	-	1,194,656	1,025,256	
Transfer	(123,055)	(36,928)	(137,039)	1,000,000	(702,978)	-	
At 31 March 2022	3,433,491	133,527	-	1,000,000	4,793,639	9,360,657	

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgecumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 27).

The Future Services Developments Fund was reduced to nil during 2021/22 as relates to the development of our community services, which are now part of our day to day service offering.

The Future Deficit Fund represents the forecast deficit in 23/24.

The Legacies Fund has been established to mitigate the specific risk that arises around legacy income. Legacies present management with a unique risk, in that if they were to substantially reduce or stop all together management are unable to take management action that would influence this in the short to medium term. The legacy fund is therefore intended to fund any legacy shortfalls, which will allow time for expenditure to be reduced in a planned manner.

29 Analysis of net assets between funds

Consolidated fund balances at 31 March 2023 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,404,050	740,860	4,144,910
Investments	4,613,278	-	4,613,278
Current assets	3,534,194	-	3,534,194
Current liabilities	(1,009,158)	-	(1,009,158)
	<u>10,542,364</u>	<u>740,860</u>	<u>11,283,224</u>

Consolidated fund balances at 31 March 2022 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,446,691	729,329	4,176,020
Investments	4,817,563	-	4,817,563
Current assets	1,828,233	-	1,828,233
Current liabilities	(731,830)	-	(731,830)
	<u>9,360,657</u>	<u>729,329</u>	<u>10,089,986</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

30 Commitments

Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company 2023 £	Group 2023 £	Company 2022 £	Group 2022 £
Expiring within 1 year	787,311	787,311	450,928	450,928
Expiring 2 - 5 years	2,722,453	2,722,453	1,321,130	1,321,130
Expiring in more than five years	2,476,841	2,476,841	508,798	508,798
	<u>5,986,605</u>	<u>5,986,605</u>	<u>2,280,856</u>	<u>2,280,856</u>
	Other		Other	
	Company 2023 £	Group 2023 £	Company 2022 £	Group 2022 £
Expiring within 1 year	23,995	23,995	44,697	44,697
Expiring 2-5 years	35,992	35,992	59,987	59,987
	<u>59,987</u>	<u>59,987</u>	<u>104,684</u>	<u>104,684</u>

31 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £Nil (2022: £Nil).

32 Ultimate controlling party

The ultimate controlling party of the charity are the members.

33 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

34 Reconciliation of operating deficit to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) per statement of financial activities	1,193,238	1,004,387
Losses on investments	251,040	(39,002)
Investment income	(99,915)	(93,559)
Add back loss on sale of investment property	-	1,641
Add back depreciation charge	308,114	278,118
Decrease in stocks	10,568	7,758
Decrease in debtors	150,055	476,250
Increase in creditors	277,328	92,757
	<hr/>	<hr/>
Net cash provided by operating activities	2,090,428	1,728,350
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net debt

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	1,109,661	1,866,584	2,976,245
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CORNWALL HOSPICE CARE LIMITED

England & Wales - Charity number 1113140

Accounts

**Cornwall Hospice Care Limited
(Limited by guarantee)**

**Report of the Members of the Board and
financial statements**

For the year ended 31 March 2022

Company registration number 05660401

Charity registration number 1113140

Cornwall Hospice Care Limited (Limited by Guarantee)

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Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2022 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Highlights of the Year

Patient Care

The effects of Covid 19 continued to be felt during the year, with high levels of staff illness making it difficult for us to maintain our bed provision. Whilst the number of patients admitted fell back slightly from last year, the complexities of their conditions led to longer average stays with us. The number of occupied bed days stayed broadly the same.

We have continued to provide 20 beds, ten at each of our hospice in-patient units, while also maintaining our important lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall.

Our community services - hubs and Listening Ear service - continued to offer support to ensure that people were not feeling isolated when they could not have their regular face-to-face sessions.

We continue to be regulated by the Care Quality Commission.

Patient Care	2020/21	2021/22
Number of patients admitted	404	331
Number of patients discharged	162	122
Occupied bed days	5491	5397
Listening Ear - support calls	n/a	347
Lymphedema appointments	1276	1258
Advice Line calls	1479	1461
Hub patients seen	258	131

Patient Satisfaction

Feedback, good and bad, is vitally important for us as it allows us to make improvements where they may be needed. In the last year we received 4 complaints and 1 concern which is broadly in line with the previous year.

These were all discussed with the parties involved and were resolved and closed satisfactorily. Internally, they were discussed at our Clinical Governance Committee to ensure any learning or opportunities for improvement were implemented.

Compliments

During 2021/22 we received 130 written compliments. Comments left by patients and families are anonymised and reported to the Clinical Governance Committee and summaries are also made available for staff to read.

During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Finance

Our financial performance was positive in the year, boosted by significant legacy receipts. An overall surplus result of just over £1.0m was recorded, compared to a surplus budget for the year of £0.8m. This is our first surplus result since 2017-18, allowing us to increase our total level of funds to £10.1m.

During the year we generated a surplus of £1m from our operations, which was further boosted by a small gain in the value of our investment portfolio. Legacy receipts saw one of their best ever years, with total distributions of £3.7m. Our other income generating activities performed well, achieving their budgets and, putting us in a strong position to build on moving forward.

In 2020-21 we were very reliant on Covid 19 support packages to fund our care. In the most recent year, small grants remained available to us totalling £0.3m, a significant reduction from the £3.2m received previously received.

Our total income was £11.3m, representing growth of 17% over the prior year, but falling 1% below the budget.

During the Covid pandemic, when income streams were reduced, we took steps to remove costs from all areas of the charity where this could be done without impacting on patient care. We continue to manage expenditure carefully, with only a modest increase (less than 1.2%) reported in these latest results. We do expect upward cost pressures on staffing, fuel and general supplies in particular to be present in the coming year, and we will continue to monitor our outgoings to ensure value for money is achieved.

Fundraising & lottery

Net contribution from fundraising and lottery was ahead of budget in the year and slightly down on the previous year, primarily to support from Government in that previous year.

The strongest income stream remained 'donations', which achieved £326k, £123k (£60%) ahead of budget, and of which is inclusive of the lines of 'one off', 'regular' and 'major donations', the latter maintaining the growth achieved in FY 2020/21 exceeding targets to raise £117k. 'In memory donations' were the second strongest line, which achieved £209k, £9k (5%) ahead of budget. Like the year prior, the environment the Team operated within changed quickly and often, and our Team were again agile and responsive to opportunities; enjoying a return to live events and developing hybrid products, albeit to a reduced calendar or activity. The best performing event was London Marathon, which raised £46k, £2k (4%) ahead of budget.

Trust income grew in the year to achieve £126k, £11k (10%) ahead of budget, and we welcomed the continued support of those grant giving bodies that have generously invested in our charity.

The hope and expectation that the year would fulfil a complete recovery from COVID was misguided, as support from within our community struggled to achieve only 50% of levels of giving seen pre-pandemic; challenges were down as confidence for overseas travel was poor; and where events outside of the charity's management were cancelled, we could not recover this lost income.

Lastly, gifts in Wills contributed £3.7M to our care in the year.

To everyone who has supported us, we thank you. The generosity we have received for our supporters and donors remains humbling and the reason we are able to care for our community

Retail

Our network of shops remained open for all but 12 days of the year and the division has enjoyed a successful year delivering a contribution to the cost of care of just over £1m. Covid prompted a number of changes to the operating model during 2020 and 2021, and these have remained in place. Over 45,000 cars visited a donation centre during the year and almost one million items of donated stock were sold.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

We operated through a network of 26 shops and three donation centres during the year. A number of shops were upgraded or relocated during the year, and we plan to carry on this investment activity into 2022-23.

By working closely with our recycling partners we have sought to reduce our environmental impact, working hard to ensure the maximum number of the goods donated to us are found a useful purpose and are kept away from landfill.

Around 75 employees work in the retail business, and these have ably been supported by more than 400 volunteers during the year. The volunteer team have become ever more critical to the success that the division has enjoyed in recent times and the charity remains very grateful for their contributions.

Our People

The average number of staff employed across the organisation fell from 269 to 249 full and part time permanent employees during the year. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has begun to grow again as we all become used to Covid being an ever present factor in our lives.

The over-arching aim of our people strategy remains to be an 'Employer of Choice' for Cornwall with this being delivered by;

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care. With effect from 1st April 2022, we have adopted the principles of the Real Living Wage with all employees receiving a basic hourly rate of pay of at least £9.90.

Gender Pay

The key measures from our gender pay report are set out below:

- A Mean gender pay gap of (minus) – 10.4%
- A Median gender pay gap of (minus) – 13.8%

Vision Mission and Values

These were developed with input from trustees, staff and volunteers back in 2017 and will be refreshed as part of our new strategy for the period 2023-28. This year we have continued to focus on embedding the values and ensuring all of our people understand and demonstrate them in all of their work at Cornwall Hospice Care.

Our Vision

Our vision is for all people living with terminal illness in Cornwall to be able to access the care and support they may need at the time and in the place that is right for them and their families.

Our Mission

We aspire to deliver the highest possible quality care and support to our patients and their families. We will strive to secure the resources necessary to achieve this, now and in the future.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Our Values

We aim to...

- **Care** by delivering the highest quality, holistic, compassionate and individualised care to people in Cornwall.
- **Value everyone**, behaving with honesty and integrity and unlocking the potential of staff and volunteers so they can deliver a high standard of care, generate funds and support the patients, families, friends and carers who rely on us.
- **Listen** carefully to what patients, families and professionals are telling us about the services we provide.
- **Communicate** in a timely and transparent manner with both internal and external audiences, ensuring we engage, consult and inform everyone in Cornwall and beyond of what we are doing and why.
- **Collaborate** working in partnership with others to broaden our scope and deliver services to those who are hard to reach.
- **Innovate** by encouraging creativity and development of ideas to ensure we are as efficient and effective as we can be in everything we do.

Structure, governance and management

Status

The charity was incorporated on 21 December 2005, the company registration number is 05660401 and it is also a registered charity, registration number 1113140.

Governing document

The charity's governing document is its Memorandum and Articles of Association.

Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 13 members and there are five sub-committees.

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings continued held predominantly using video conferencing. No scheduled meeting was cancelled, and all trustees had the opportunity to attend all Board committee meetings. Additional meetings were held across the year to provide input to and oversight of our response to the challenges raised by Covid. Consequently, average attendance at meetings was higher than in the previous year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Members of the Board

The following were members of the Board during the year:

Mr D W Renwick (Chair)	
Mrs S M Godzicz	
Dr S Hawkins	
Ms B Macintyre	Resigned 1 July 2022
Mrs S M Bamford	Appointed 17th March 2022
Mrs L A Clarke	
Dr S Gupta	
Mr A C Naylor	
Dr C J Phillip	
Mr G Piercy	
Mrs L Stubberfield	
Mr D Thomas	Appointed 17th March 2022
Mr A J Whyte	

Mrs D Roberts was appointed as a Director on 27th June 2022.

Ms Macintyre, Mrs Godzicz and Mr Renwick also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

Board Committees

There are five sub- committees of the Board. Membership of these Committees during the year is set out below:

<i>Clinical Services Committee</i>	<i>Finance Committee</i>	<i>Income Generation Committee</i>	<i>Governance Committee</i>	<i>Remuneration Committee</i>
Dr S Hawkins (Chair)	Mrs S M Godzicz (Chair)	Mrs B Macintyre (Chair)	Mr D Renwick (Chair)	Mr D W Renwick
DR C J Phillip	Mr A Naylor	Mr G Piercy	Dr S Hawkins	Dr S Hawkins
Mrs L J Stubberfield	Mr A J Whyte	Mrs L A Clarke	Mrs B Macintyre	Mrs S M Godzicz
Dr S Gupta	Mr D W Renwick	Mr D Thomas	Mrs S M Godzicz	Mrs B Macintyre
Mr D W Renwick	Dr S Hawkins		Dr C Philip	
	Mrs S M Bamford		Mrs L J Stubberfield	

The table represents core membership only, but trustees are encouraged to attend any committee meeting should they so wish.

Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Executive Officers

Chief Executive: Paul Brinsley

Director of Clinical Services: Gina Starnes

Finance Director & Company Secretary: Graham Clarke

Patron

The Rt Revd Tim Thornton, Bishop of Lambeth

Principal address and registered office

Mount Edgcumbe Hospice
Porthpean Road
St Austell
Cornwall
PL26 6AB
www.cornwallhospicecare.co.uk

Advisers

Solicitors: **Michelmores LLP**
Woodwater House
Pynes Hill
Exeter, EX2 5WR

Auditors: **RRL LLP**
Peat House
Newham Road
Truro, TR1 2DP

Investments: **Aberdeen Standard Wealth**
30 St Marys Axe
London, EC3A 8EP

Bankers: **Barclays Bank PLC**
10 Church Street
St Austell, PL25 4AS

Brewin Dolphin
Vantage Point
Woodwater Park
Pynes Hill
Exeter, EX2 5FD

Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Further details can be found in note 15.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Report of the Chair

As I look back over the last two years my overriding thought is for our hard-working clinical teams who have shown enormous determination and commitment. Despite a pandemic that disrupted everyone and everything, our doctors, nurses, healthcare assistants, caterers, housekeepers and administrators have battled on.

Our 20 beds have remained open and our services operating safely. I salute them all. The last year hasn't been easy, but we saw a slow start to the gradual emergence from the rigours of the pandemic.

Now we are regrouping and re-establishing our charity, emerging stronger and more determined than ever to provide the right care at the right time and in the right place for our patients and their families.

We continue to provide 20 beds, ten at each of our hospices, while also maintaining our excellent Lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall.

The pandemic has not stopped us but encouraged us to develop new ideas and we emerge stronger, adept and ready to continue and develop our important work supporting those who need us at the end of life.

Our income generation activities have returned to an almost normal way of working and have enjoyed a successful year, slightly exceeding their budgets. This has contributed to a very pleasing surplus result, which is set out in section 4 of this report, leaving us in a strong position to invest in additional services as we develop our new strategic plan for 2023-28.

It has been another challenging year for all our staff and volunteers alike. Covid has continued to cause higher than ever levels of illness amongst our teams and I, and the Board, remain very grateful for the additional efforts made by members of our teams to cover gaps wherever possible.

We had no retirements from the Board during the year. We were pleased to welcome two new Board members during the year. Sharon Bamford and Derek Thomas were both appointed in March, and both have made significant contributions to our work already. I would like to thank my fellow trustees for their hard work and contribution during the past year as we plan and look forward to the future with optimism and determination in equal measure!

David Renwick
Chair of Trustees

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgcumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our advice line that provides advice and support to healthcare professionals 24 hours a day 7 days a week
- Our lymphoedema service supporting patients
- We developed a virtual approach to many of our community services during the covid pandemic, ensuring that we continued to support patients and families during this very difficult time.

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

Public benefit

The members of the Board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the members of the Board consider how planned activities will contribute to the aims and objectives set.

Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has been a very positive one during which we have been able to open more beds at both hospices, bringing our total to 20. It underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us. This followed our pledge in the last Quality Account to increase salaries where appropriate, to mirror or exceed the NHS Agenda for Change pay scales. We also increased holiday allowances for clinical staff. The net result is an ability to recruit and retain the skilled staff we need.

We have also developed our Community Services to offer Neighbourhood Hub support clinics in locations towns and at our hospices, Community Friendship Cafés, Wellbeing Workshops and Bereavement Friendship Support Groups. We are often operating in collaboration with other organisations and charities and I see this collaboration developing as we all work together to offer exceptional support to those patients living with their conditions in our communities.

I continue to be humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standard of care. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration.

Paul Brinsley

Chief Executive

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Strategic Priorities for 2020-23

Our agreed strategic priorities for the period to up to March 2023 are set out below. We will be renewing our strategy for the period 2023-28 during 2022.

- **In-patient beds** – ensuring sufficient beds for palliative care are maintained to meet the needs of the population.
- **Community services** – offering service and support closer to home.
- **Carers** – providing emotional support and practical help to enable carers to cope with the difficult task of looking after a loved one at the end of their life.
- **Volunteers** – harnessing the skills and knowledge volunteers have to deliver services; building on the work of compassionate communities.
- **Community engagement** – ensuring services deliver what our users and potential users want and need.
- **Education** – raising the standard of end of life care in all our communities.
- **Workforce** – developing, supporting and shaping the workforce for the future.
- **Funding** – growing and developing our funding ethically from a diverse range of sources including our retail, fundraising and lottery activities.

Underpinning these eight strategic priorities we will work to deliver services that are integrated and offer value for money. We also need to ensure that throughout the coming strategic cycle we develop our workforce (paid and volunteers) ensuring it is fit to deliver care in the 21st century, therefore ensuring the balance between acute medical specialist palliative care and the wider holistic care for which hospices are renowned is correct.

Progress made during 2021/22

1. Continue to work in partnership to continue to develop the integrated care medical model for specialist palliative care

We continued the joint work we began in 2020/21 on the development of an integrated care medical model for specialist palliative care. Our specific role in this was to TUPE the Palliative Care Consultant from our employ to the local community Foundation Trust so their valuable skills could be used across the wider health economy more effectively to care for more patients.

We achieved this aim and the Consultants moved to their new employer on 1st January 2022.

2. Ensure the clinical side of the charity is fit for the future post Covid

As part of our streamlining to become more efficient and fit for the future we reviewed and refreshed our patient notes paperwork, making it much less onerous to complete whilst still recoding all the relevant information. This meant that less time was spent on completing paperwork and more time spent on patient care.

Priorities for 2022-23

1. Work in partnership to develop community services to meet identified needs

- Despite the impact of the Covid, we continue to liaise and work with our community colleagues. We appointed an Advanced Nurse Practitioner who now undertakes patient visits in the community to assess the patient prior to the decision to admit and also provides training to community colleagues.
- We continued to deliver training to nursing and residential care home staff using video links.
- Worked with Community Connect to run a series of well attended webinars.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

2. Ensuring the clinical governance of the charity is fit for the future

- As we come out of the pandemic, we will start our detailed plans to become a nurse led unit, ensuring we have the correct competencies across all fields and levels of staff.

Risk Management and Internal control

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping key internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed at each meeting by the Board.

The key strategic risks monitored during the year included a failure in our care and the risks to funding caused by staff and volunteer shortages across our income generation activities. The Board has set a risk framework and categorises risks by impact and likelihood and the necessary level of management or mitigation. The Board has also reviewed and agreed our risk appetite.

Going concern basis of accounting and long-term viability

The Directors carried out a review of the company's operating budget and cash flow projection for the coming year 2022/23 along with its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

The Directors also monitor closely future expectation for legacy income, which continues to be supported by a stronger pipeline than for many years. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and financial statements.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. These began to generate income again from 12th April 2021 when all remaining Covid restrictions were lifted. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the executive team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

An overall surplus result of £1.0m was recorded in the period which compared to a budgeted surplus of £0.8m. This result represents an improvement of £1.05m compared to the previous year. This is our first surplus result since 2017-18 and we remain very grateful for the financial assistance received in all its forms during the year from the UK Government via the Jobs Retention Scheme, Cornwall Council for the retail support grants and NHS England for their support in keeping our beds open. Collectively these have contributed £333k to our income this year.

Our income generation teams have all had successful years, generating returns that were ahead of budget.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

The financial performance is summarised in the table below:

Financial Summary £000s	2021/22 Actual	2021/22 Budget	2020/21 Actual
Total Income	11,295.9	11,405.1	9,669.6
Expenditure	10,321.1	10,587.1	10,141.9
Operating Result	974.8	818.0	-472.3
Gain / (loss) on investments & property	29.6	0.0	406.3
Gain / (loss) on disposal of fixed assets	0.0	0.0	1.2
Gain / (Loss) on pension scheme provision	0.0	0.0	16.0
Surplus / deficit	1,004.3	818.0	-48.9

Income

The table below sets out a summary of income as recorded in our management accounts for the year and included in the notes to the financial statements.

The total income earned in the year grew to £11.3m which was £0.1m (1.74%) less than budget and £1.6m (17%) better than last year.

We enjoyed a very positive result in legacies, where the total amount of gifts in wills left to us was £3.7m in the year, our best ever result. This income came from 37 estates with gifts ranging in value from £500 up to £1m+.

The pipeline of known legacy receipts remains strong and we remain confident that we are heading for another strong performance in 2022-23.

Fundraising and retail were both below budget for the year, partially due to the impact of Covid which caused event cancellations and shop closures in the early part of the year.

Income Summary £000s	2021/22 Actual	2021/22 Budget	2020/21 Actual
Legacies	3,716.7	4,073.0	1,674.5
Donations	528.7	396.5	540.8
Fundraising	585.1	741.7	498.1
Gross income from Retail	4,024.2	4,234.1	1,282.4
Gross income from Lottery	703.5	681.6	678.0
Income from clinical contracts	1,060.5	1,050.0	1,444.8
Covid 19 Grants	335.5	0.0	3,248.7
Investment Income	93.6	95.6	121.2
All other income	248.1	132.6	181.1
Total Income	11,295.9	11,405.1	9,669.6

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report (continued)

Expenditure

Actual expenditure for the year was £10.3m representing a saving of over £0.2m (2%) across all activities. The impact of Covid caused us to examine our total expenditure, including that on clinical services, very closely and ensure any non-essential costs were eliminated or deferred to a later date. The efficiency gains identified by that work have continued into 2021-22.

The table below sets out the summary of expenditure incurred.

Expenditure Summary £000s	2021/22 Actual	2021/22 Budget	2020/21 Actual
Retail	3,203.8	3,315.9	3,265.5
Lottery	294.2	316.7	195.5
Cost of raising funds	419.1	426.2	472.9
Provision of care	6,229.3	6,418.3	6,105.4
Support costs	174.7	110.0	102.6
Total Expenditure	10,321.1	10,587.1	10,141.9

Gain on investments

The value of the hospice listed investment portfolio grew by £39k during the year. The value has increased steadily during the past two years following a sharp reduction towards the end of the financial year ending 31 March 2020.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

Reserves policy

The Board through the Finance Committee review the reserves policy annually. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision continues to bring uncertainty, but this was mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate, the increasing cost of living and ever-growing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

Financial Resilience

Total free reserves of £4.7m were held by the charity at 31st March 2022. This comprises a general reserve equating to 3 months running costs plus a balance of £2m, which the Trustees believe it is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

It is also worth identifying here that Note 30 details legal operating lease commitments of £2.3m (2021: £1.8m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short- and medium-term expenditure, which it recognises may not be covered by a guaranteed income stream. In previous years, designated funds have included amounts for the roll out of our community services. We now see these as part of our core service and will not include them here.

Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 1998, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way. The majority of the work is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

Accounting policies

There has been one change to accounting policies during the year which has led to the establishment of a legacy income reserve. This has been done to mitigate the impact on the charity of a sudden drop in legacy income by transferring a share of legacy income from the general reserve to the specific legacy smoothing reserve.

Executive Remuneration

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, Finance Director and the Director of Clinical Services. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Investment policy and objectives

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by Aberdeen Standard Capital and Brewin Dolphin. An additional investment of £1.5m was made during the year into the portfolio.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year exceeded the Board's stated minimum requirement.

The charity also owns three properties, other than the hospice buildings. Two of these are used for our own retail operation. The other is rented to a third party to produce an income stream. During the year, the investment property at Lytton Place in St. Austell was sold. We also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements. During the year we implemented a treasury management facility with Insignis, investing the initial sum of £85,000 with a return of 2%.

Our impact on the environment

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- Engaged with a new recycling partner in retail who have a zero to landfill policy
- Stopped providing new plastic bags in our shops, replacing them with reused bags or our own paper bags or with donated reusable bags.
- Stopped using shrink wrap plastic in the delivery of furniture

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

- The solar panels installed at St Julia's hospice generated over 100,000 kwh of power during the year.
- Implemented recycling in our hospices and offices, ending the use of plastic cups and drinking bottles.

Tax status

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

Accounting and reporting responsibilities of the Board

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently.
- 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 group and 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 group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

Porthpean Road
St Austell
Cornwall

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

Opinion

We have audited the financial statements of Cornwall Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 of which comprise of the group statement of financial activities, group and company balance sheet, group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

Cornwall Hospice Care Limited (Limited by Guarantee)

Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Cornwall Hospice Care Limited (Limited by Guarantee)

Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to the safeguarding of vulnerable beneficiaries and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Cornwall Hospice Care Limited (Limited by Guarantee)

Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of RRL LLP
Statutory Auditors

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

<Date>

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated statement of financial activities

For the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income					
Donations & legacies	4	4,245,432	-	4,245,432	2,215,283
Income from Charitable Activities	5	1,060,463	-	1,060,463	1,444,792
Income from Other Trading Activities:					
Commercial trading operations	6	4,727,712	-	4,727,712	1,960,435
Fundraising	6	585,128	-	585,128	498,066
Covid-19 support income	7	143,450	192,023	335,473	3,248,744
Other income		248,099	-	248,099	181,072
Investment income	8	93,559	-	93,559	121,192
		<hr/>	<hr/>	<hr/>	<hr/>
Total Income		11,103,843	192,023	11,295,866	9,669,584
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure					
Expenditure on raising funds					
Commercial trading activities		3,497,975	-	3,497,975	3,460,993
Costs of generating donations and legacies		391,124	-	391,124	451,786
Investment portfolio fees		28,009	-	28,009	21,126
Expenditure on charitable activities					
Provision of care		6,016,353	212,892	6,229,245	6,105,331
Support costs		174,747	-	174,747	102,629
		<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditure	9	10,108,208	212,892	10,321,100	10,141,865
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains on investments		39,002	-	39,002	406,319
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)		1,034,637	(20,869)	1,013,768	(65,962)
		<hr/>	<hr/>	<hr/>	<hr/>
Other recognised gains and losses					
Gain on disposal of fixed assets		-	-	-	1,240
Loss on disposal of investment property		(9,381)	-	(9,381)	-
Pension Liability		-	-	-	15,966
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		1,025,256	(20,869)	1,004,387	(48,756)
		<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds:					
Fund balances brought forward		8,335,401	750,198	9,085,599	9,134,355
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward	27,28,29	9,360,657	729,329	10,089,986	9,085,599
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Balance sheet

As at 31 March 2022

	<i>Notes</i>	The Company 2022 £	The Group 2022 £	The Company 2021 £	The Group 2021 £
Fixed assets					
Tangible assets	18,19	4,162,820	4,176,020	4,306,744	4,306,744
Intangible assets	20	-	-	-	-
Investments	21	4,817,568	4,817,563	3,611,643	3,611,643
		<u>8,980,388</u>	<u>8,993,583</u>	<u>7,918,387</u>	<u>7,918,387</u>
Current assets					
Stock	22	20,979	96,277	20,979	104,029
Debtors	23	687,796	622,295	1,295,430	1,098,545
Cash at bank and in hand		906,580	1,109,661	340,101	603,711
		<u>1,615,355</u>	<u>1,828,233</u>	<u>1,656,510</u>	<u>1,806,285</u>
Creditors: amounts falling due within one year	24	(614,127)	(731,830)	(549,858)	(639,073)
Net current assets		<u>1,001,228</u>	<u>1,096,403</u>	<u>1,106,652</u>	<u>1,167,212</u>
Total net assets		<u>9,981,616</u>	<u>10,089,986</u>	<u>9,025,039</u>	<u>9,085,599</u>
The funds of the charity					
Restricted funds	27	729,329	729,329	750,198	750,198
Unrestricted funds	28	9,252,287	9,360,657	8,274,841	8,335,401
Total funds		<u>9,981,616</u>	<u>10,089,986</u>	<u>9,025,039</u>	<u>9,085,599</u>

These financial statements were approved by the Members of the Board on <Date> and were signed on its behalf by:

Director

Company registration no.: 05660401

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated cash flow statement

For the year ended 31 March 2022

	<i>Note</i>	2022	2021
		£	£
Cash provided by operating activities	34	1,728,350	44,937
Cash flows from investing activities			
Interest income		228	198
Dividends income		52,973	61,580
Rental income from investment property		40,358	59,414
		<u>93,559</u>	<u>121,192</u>
Purchase of tangible fixed assets		(147,394)	(173,042)
Purchase of investments		(1,993,227)	(634,155)
Receipts from sale of investments		824,662	833,916
Receipts from sale of tangible fixed assets		-	8,634
Net cash (outflows)/inflows from investing activities		(1,315,959)	35,353
Increase in cash equivalents		505,950	201,482
Cash and cash equivalents at 1 April 2021		603,711	402,229
Cash and cash equivalents at 31 March 2022		1,109,661	603,711

All of the cash flows are derived from continuing operations during the above two periods.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 13 members at 31 March 2022 (2021: 11). The registered office is recorded in the Trustees' report.

2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited, Cornwall Hospice Care Lottery Limited and Resource Kernow Newco Ltd.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

3 Accounting policies

3.1 Accounting convention

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

Cornwall Hospice Care Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

3.2 Going concern

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

3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.4 *Fixed asset investments*

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

3.5 *Operating leases*

Rentals under operating leases are charged on a straight line basis over the lease term.

3.6 *Stocks*

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical.

3.7 *Income*

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

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of a legacy, in whole or in part, is only made when the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

3.8 *Grants receivable & deferred income*

Grants receivable are recognised as incoming resources in the year to which they relate. Grants are deferred where they relate to a specified future period. They may be repayable in certain circumstances.

3.9 *Expenditure*

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

3.10 *Investment properties*

In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.11 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

3.12 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

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

3.13 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

3.14 *Judgements and key sources of estimation uncertainty*

In the application of the group'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.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

4 Donations and legacies

	2022 £	2021 £
Legacies	3,716,722	1,674,488
Donations	528,710	540,795
	<hr/>	<hr/>
	4,245,432	2,215,283
	<hr/> <hr/>	<hr/> <hr/>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

5 Income from charitable activities

	2022 £	2021 £
Health authority contract	1,060,463	1,444,792
	<hr/> <hr/>	<hr/> <hr/>

6 Income from trading activities

Commercial operations

	2022 £	2021 £
Gross Income from shops	4,024,184	1,282,414
Gross Income from Lottery	703,528	678,021
	<hr/>	<hr/>
	4,727,712	1,960,435
	<hr/> <hr/>	<hr/> <hr/>

Fundraising

	2022 £	2021 £
Trusts and grants	124,746	84,258
Fundraising activities	460,382	413,808
	<hr/>	<hr/>
	585,128	498,066
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

7 Covid-19 support grant income

	Group 2022 £	Group 2021 £
Grant income from NHS England	192,023	1,931,295
Job Retention Scheme grant income	21,160	987,903
Local Authority grant income	122,290	329,546
	<hr/>	<hr/>
	335,473	3,248,744
	<hr/> <hr/>	<hr/> <hr/>

8 Investment income

	Group 2022 £	Group 2021 £
Property	40,358	59,414
Bank interest	228	198
Listed investments	52,973	61,580
	<hr/>	<hr/>
	93,559	121,192
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

9 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2022 Total £	2021 Total £
Staff costs	5,459,575	261,161	1,782,708	45,795	7,549,239	7,720,327
Patient care	40,168	-	-	-	40,168	32,070
Medical supplies & drugs	69,926	-	-	-	69,926	104,610
Catering & domestic supplies	59,469	-	-	-	59,469	64,838
Travel expenses	11,753	-	51	-	11,804	15,077
Training & education	51,980	-	469	-	52,449	33,220
Laundry	13,331	-	-	-	13,331	7,188
Electricity & Gas	44,013	-	-	-	44,013	51,711
Telephone	54,430	-	-	-	54,430	47,108
Rates and water	18,234	-	-	-	18,234	19,610
Uniforms	3,268	-	-	-	3,268	2,921
Printing, Postage and stationery	23,391	-	9,850	-	33,241	35,918
Insurance	37,488	-	-	-	37,488	27,336
Repairs and maintenance	119,846	-	-	-	119,846	102,887
Depreciation	115,877	-	162,241	-	278,118	275,420
Direct fundraising costs	-	46,242	-	-	46,242	34,570
Department fundraising costs	-	56,953	-	-	56,953	67,753
Banking charges	-	5,400	13,523	-	18,923	16,412
Administration charge	106,496	10,077	80,665	-	197,238	167,127
Audit and accountancy	-	-	-	15,302	15,302	15,146
Legal and professional fees	-	-	-	113,650	113,650	41,688
Irrecoverable VAT	-	11,291	-	-	11,291	9,105
Cost of sales	-	-	267,718	-	267,718	152,368
Shops operating expenses	-	-	1,167,499	-	1,167,499	1,057,468
Investment portfolio fees	-	28,009	-	-	28,009	21,127
Staff relocation & recruitment	-	-	13,251	-	13,251	18,860
	<u>6,229,245</u>	<u>419,133</u>	<u>3,497,975</u>	<u>174,747</u>	<u>10,321,100</u>	<u>10,141,865</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

10 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within note 9 and the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	45,795	Key management allocated on time
Audit and accountancy	15,302	Governance
Legal and professional	113,650	Governance
	<hr/> 174,747 <hr/>	

11 Net income/(expenditure) for the year

This is stated after charging the following:

	2022 £	2021 £
Auditors’ remuneration – audit (group)	15,302	15,146
Operating leases	697,340	661,460
Depreciation (group)	278,118	289,487
Amortisation (group)	-	4,139
	<hr/> 1,090,760 <hr/>	<hr/> 970,232 <hr/>

12 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2022	2021
Staff and management	249	269
	<hr/> 249 <hr/>	<hr/> 269 <hr/>

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Wages and salaries	6,450,178	6,520,065
Social security costs	566,357	533,531
Other pension costs	517,576	510,866
Termination payments	15,128	155,865
	<hr/> 7,549,239 <hr/>	<hr/> 7,720,327 <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Other pension costs represent employer's defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Eleven employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2022	2021
£60,000 to £70,000 – Operational Lead Nurse, 3 x Consultants, Speciality Doctor, Head of HR	6	5
£70,000 to £80,000 – Director of Clinical Services, Finance Director, 1 x Consultant, 1 x Speciality Doctor	4	3
£80,000 to £90,000	-	-
£90,000 to £100,000 – Chief Executive	1	1
£100,000 to £110,000	-	-
£110,000 to £120,000	-	-
	<u> </u>	<u> </u>

The key management personnel of the group comprise of the Chief Executive, Finance Director and Director of Clinical Services. The combined employee benefits of these three personnel totalled £324,877 (2021: £308,237, three personnel). Cornwall Hospice Care Limited is unlike other hospices in that the Charity employs consultants, who are paid at the NHS rate and therefore four (2021: five) of these consultants are included within the bandings above.

13 Pension costs

Defined benefit scheme:

NHS pension scheme

The charity contributes on behalf of its employees to the National Health Service pension scheme.

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £260,496 (2021: £254,811).

Contributions amounting to £31,588 (2021: £36,848) were payable to the Fund at 31 March 2022 and are included in other creditors.

Standard Life Scheme

The charity operates a Group Personal Pension Scheme for those people not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008, and the charity makes voluntary contributions (currently up to 10% of salary) to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

Auto Enrolment

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £257,370 (2021: £258,710).

Contributions amounting to £35,707 (2021: £36,637) were payable to the Fund at 31 March 2022 and are included in other creditors.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

14 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2021: £Nil).

15 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities.

Resource Kernow Newco Ltd is a dormant subsidiary that has remained dormant throughout the year. Since the year-end this company has been struck off the Companies House register as it is no longer required.

A summary of the results of the subsidiaries is shown below:

	Cornwall Hospice Care Trading Limited	Cornwall Hospice Care Lottery Limited	Resource Kernow Newco Ltd	Total 2022	Total 2021
	£	£	£	£	£
<i>Per company accounts</i>					
Turnover	185,558	703,528	-	889,086	759,763
Cost of sales	(86,853)	(180,866)	-	(267,719)	(152,367)
Interest payable	-	-	-	-	-
Administrative expenses	(50,279)	(112,255)	-	(162,534)	(121,857)
Interest receivable	-	-	-	-	14
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	48,426	410,407	-	458,833	485,553
Amount distributed to the charity via Gift Aid	(1,000)	(410,000)	-	(411,000)	(864,141)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Result in the subsidiary	47,426	407	-	47,833	(378,588)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The assets and liabilities of the subsidiaries were:

	Cornwall Hospice Care Trading Limited	Cornwall Hospice Care Lottery Limited	Resource Kernow Newco Ltd	Total 2022
	£	£	£	£
<i>Per company accounts</i>				
Fixed Assets	-	13,200	-	13,200
Current assets	147,154	135,949	-	283,103
Current liabilities	(99,061)	(88,851)	-	(187,912)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	48,093	60,298	-	108,391
	<hr/>	<hr/>	<hr/>	<hr/>
Aggregate share capital and reserves	48,093	60,298	-	108,391
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

16 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 15.

The summary financial performance of the charity alone is:

	Total 2022 £	Total 2021 £
Income	10,494,817	9,391,720
Gift aid from subsidiaries	411,000	864,141
	<hr/>	<hr/>
	10,905,817	10,255,861
Expenditure on charitable activities	9,949,240	9,926,037
	<hr/>	<hr/>
Net income	956,577	329,824
Total funds brought forward	9,025,039	8,695,215
	<hr/>	<hr/>
Total funds carried forward	9,981,616	9,025,039
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Restricted funds	729,329	750,198
Unrestricted funds	9,252,287	8,274,841
	<hr/>	<hr/>
Total funds carried forward	9,981,616	9,025,039
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

17 Comparative period statement of financial activities

Consolidated	Unrestricted funds £	Restricted funds £	Total 2021 £
Income			
Donations & legacies	2,215,283	-	2,215,283
Income from Charitable Activities	1,444,792	-	1,444,792
Income from Other Trading Activities:			
Commercial trading operations	1,960,435	-	1,960,435
Fundraising	488,066	10,000	498,066
Covid-19 support income	1,317,449	1,931,295	3,248,744
Other income	181,072	-	181,072
Investment income	121,192	-	121,192
	-----	-----	-----
Total Income	7,728,289	1,941,295	9,669,584
	-----	-----	-----
Expenditure			
Expenditure on raising funds			
Commercial trading activities	3,460,993	-	3,460,993
Costs of generating donations and legacies	451,786	-	451,786
Investment portfolio fees	21,126	-	21,126
Expenditure on charitable activities			
Provision of care	4,154,248	1,951,083	6,105,331
Support costs	102,629	-	102,629
	-----	-----	-----
Total Expenditure	8,190,782	1,951,083	10,141,865
	-----	-----	-----
Net gains on investments	406,319	-	406,319
Net expenditure	(56,174)	(9,788)	(65,962)
Transfers			
Gross transfers between funds	-	-	-
	-----	-----	-----
Other recognised gains and losses			
Gain on disposal of fixed assets	1,240	-	1,240
Pension Liability	15,996	-	15,996
	-----	-----	-----
Net movement in funds	(38,968)	(9,788)	(48,756)
Reconciliation of funds:			
Fund balances brought forward	8,374,369	759,986	9,134,355
	-----	-----	-----
Fund balances carried forward	8,335,401	750,198	9,085,599
	=====	=====	=====

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

18 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
<i>Cost or valuation</i>						
At 1 April 2021	5,807,411	1,207,033	909,591	188,411	271,517	8,383,963
Additions	9,861	63,686	55,196	-	5,451	134,194
Disposals	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31 March 2022	5,817,272	1,270,719	964,787	188,411	276,968	8,518,157
	-----	-----	-----	-----	-----	-----
<i>Depreciation</i>						
At 1 April 2021	2,122,833	910,635	694,892	133,095	215,764	4,077,219
Charge for the year	111,250	79,205	34,198	20,476	32,989	278,118
Released on disposal	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31 March 2022	2,234,083	989,840	729,090	153,571	248,753	4,355,337
	-----	-----	-----	-----	-----	-----
<i>Net book value</i>						
At 31 March 2022	3,583,189	280,879	235,697	34,840	28,215	4,162,820
	=====	=====	=====	=====	=====	=====
At 31 March 2021	3,684,578	296,398	214,699	55,316	55,753	4,306,744
	=====	=====	=====	=====	=====	=====

Freehold land and buildings includes land at cost of £121,020 (2021: £121,020) on which no depreciation is charged.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

19 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
<i>Cost or valuation</i>						
At 1 April 2021	5,807,411	1,207,033	909,591	188,411	274,517	8,386,963
Additions	9,861	63,686	55,196	-	18,651	147,394
Disposals	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31 March 2022	5,817,272	1,270,719	964,787	188,411	293,168	8,534,357
	-----	-----	-----	-----	-----	-----
<i>Depreciation</i>						
At 1 April 2021	2,122,833	910,635	694,892	133,095	218,764	4,080,219
Charge for the year	111,250	79,205	34,198	20,476	32,989	278,118
Released on disposal	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31 March 2022	2,234,083	989,840	729,090	153,571	251,753	4,358,337
	-----	-----	-----	-----	-----	-----
<i>Net book value</i>						
At 31 March 2022	3,583,189	280,879	235,697	34,840	41,415	4,176,020
	=====	=====	=====	=====	=====	=====
At 31 March 2021	3,684,578	296,398	214,699	55,316	55,753	4,306,744
	=====	=====	=====	=====	=====	=====

Freehold land and buildings includes land at cost of £121,020 (2021: £121,020) on which no depreciation is charged.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

20 Intangible assets - group

	Goodwill £	Total £
Cost or valuation		
At 1 April 2021	12,417	12,417
Additions	-	-
Disposals	(12,417)	(12,417)
	<hr/>	<hr/>
At 31 March 2022	-	-
	<hr/>	<hr/>
Depreciation		
At 1 April 2021	12,417	12,417
Charge for the year	-	-
Released on disposal	(12,417)	(12,417)
	<hr/>	<hr/>
At 31 March 2022	-	-
	<hr/>	<hr/>
Net book value		
At 31 March 2022	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2021	-	-
	<hr/> <hr/>	<hr/> <hr/>

21 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2022 £	Group 2022 £
At 1 April 2021	516,641	5	3,094,997	3,611,643	3,611,638
Additions at cost	-	-	1,993,227	1,993,227	1,993,227
Disposals	(360,000)	-	(464,662)	(824,662)	(824,662)
Unrealised gains	-	-	33,316	33,316	33,316
Realised gains/(losses)	(1,641)	-	5,685	4,044	4,044
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	155,000	5	4,662,563	4,817,568	4,817,563
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold investment property at 5-7 Fore Street, St Austell was last revalued on an open market basis on 25 April 2019 by Scott Burridge Commercial. The Trustees consider the valuation appropriate at the year end.

The cost of the above listed investments at 31 March 2022 was £4,529,036 (2021: £2,924,542). The cost of the freehold investment properties amounts to £290,000 (2021: £668,875).

Carrying amount of financial assets

	2022 £	2021 £
Instruments measured at fair value through profit or loss	4,662,563	3,094,997
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

22 Stocks

	Company 2022 £	Group 2022 £	Company 2021 £	Group 2021 £
Goods for resale	12,079	87,377	12,079	95,129
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	<u>20,979</u>	<u>96,277</u>	<u>20,979</u>	<u>104,029</u>

23 Debtors

	Company 2022 £	Group 2022 £	Company 2021 £	Group 2021 £
Gift Aid debtor	89,607	89,607	-	-
VAT recoverable	58,222	56,414	50,967	49,778
Amounts owed by group undertakings	68,399	-	196,701	-
Other debtors	59,400	59,381	51,814	52,819
Prepayments and accrued income	412,168	416,893	995,948	995,948
	<u>687,796</u>	<u>622,295</u>	<u>1,295,430</u>	<u>1,098,545</u>

24 Creditors: amounts falling due within one year

	Company 2022 £	Group 2022 £	Company 2021 £	Group 2021 £
Trade creditors	133,910	141,438	138,557	141,107
Other creditors	70,186	69,179	98,068	98,280
Other taxation and social security	129,967	130,705	135,893	135,775
Accruals	278,312	314,743	166,660	182,617
Deferred income (note 25)	1,752	75,765	10,680	81,294
	<u>614,127</u>	<u>731,830</u>	<u>549,858</u>	<u>639,073</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

25 Deferred income

	Company 2022 £	Group 2022 £	Company 2021 £	Group 2021 £
At 1 April 2021	10,680	81,294	10,259	79,209
Released to income in year	(31,309)	(101,923)	(6,491)	(75,441)
Deferred in year	22,381	96,394	6,912	77,526
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	1,752	75,765	10,680	81,294
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

26 Contingent assets

At 31 March 2022, the Charity had been notified of legacies receivable totalling an estimated £4.0m (2021: £4.3m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £195k (2021: £196k) which are subject to a life tenancy interest held by a third party.

27 Restricted funds

The Company and the Group

	Project Appeal Fund £	Bed Purchase Fund £	NHSE Covid-19 support grant £	Total £
At 1 April 2021	740,448	9,750	-	750,198
Income	-	-	192,023	192,023
Expenditure	(19,538)	(1,331)	(192,023)	(212,892)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	720,910	8,419	-	729,329
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect £10,000 donated in contribution to bed purchases for each unit. Two beds for each unit were purchased in December 2020 for a total cost of £19,000. Depreciation on these beds of £1,331 is charged to reserves annually.

The NHSE Covid-19 support grant fund reflects funding received from the NHSE. The NHSE awarded funding to provide bed capacity and community support from December 2021 to March 2022. The full amount of funding made available was spent during the year on maintaining capacity and community support.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Unrestricted funds

(a) The Company	[----- Designated Funds -----]					
	Capital Fund	Revaluation Reserve	Future Service Develop Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2021	3,556,546	170,455	306,439	-	4,241,401	8,274,841
(Deficit)/surplus for the year	-	-	(169,400)	-	1,146,846	977,446
Transfer	(123,055)	(36,928)	(137,039)	1,000,000	(702,978)	-
At 31 March 2022	3,433,491	133,527	-	1,000,000	4,685,269	9,252,287

(b) The Group	[----- Designated Funds -----]					
	Capital Fund	Revaluation reserve	Future Service Develop Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2021	3,556,546	170,455	306,439	-	4,301,961	8,335,401
(Deficit)/surplus for the year	-	-	(169,400)	-	1,194,656	1,025,256
Transfer	(123,055)	(36,928)	(137,039)	1,000,000	(702,978)	-
At 31 March 2022	3,433,491	133,527	-	1,000,000	4,793,639	9,360,657

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Comparative unrestricted funds

(a) **The Company**

[----- Designated Funds -----]

	Capital Fund	Revaluation Reserve	Future Service Develop fund	Future deficit fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2020	3,670,602	-	474,706	64,500	3,725,421	7,935,229
Surplus/(Deficit) for the year	-	-	(168,267)	-	507,879	339,612
Transfer	(114,056)	170,455	-	(64,500)	8,101	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	3,556,546	170,455	306,439	-	4,241,401	8,274,841
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(b) **The Group**

[----- Designated Funds -----]

	Capital Fund	Revaluation reserve	Future Service Develop Fund	Future deficit fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2020	3,674,741	-	474,706	64,500	4,160,422	8,374,369
Surplus/(Deficit) for the year	-	-	(168,267)	-	129,299	(38,968)
Transfer	(118,195)	170,455	-	(64,500)	12,240	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	3,556,546	170,455	306,439	-	4,301,961	8,335,401
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgcumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 27).

The Future Services Developments Fund has been reduced to nil as relates to the development of our community services, which are now part of our day to day service offering.

The Future Deficit Fund represents the forecast deficit in 22/23 less the amount of budgeted expenditure on community services.

The Legacies Fund has been established to mitigate the specific risk that arises around legacy income. Legacies present management with a unique risk, in that if they were to substantially reduce or stop all together management are unable to take management action that would influence this in the short to medium term. The legacy fund is therefore intended to fund any legacy shortfalls, which will allow time for expenditure to be reduced in a planned manner.

29 Analysis of net assets between funds

Consolidated fund balances at 31 March 2022 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,446,691	729,329	4,176,020
Investments	4,817,563	-	4,817,563
Current assets	1,828,233	-	1,828,233
Current liabilities	(731,830)	-	(731,830)
	<hr/>	<hr/>	<hr/>
	9,360,657	729,329	10,089,986
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Consolidated fund balances at 31 March 2021 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,556,546	750,198	4,306,744
Investments	3,611,643	-	3,611,643
Current assets	1,806,285	-	1,806,285
Current liabilities	(639,073)	-	(639,073)
	<hr/>	<hr/>	<hr/>
	8,335,401	750,198	9,085,599
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

30 Commitments

Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company 2022 £	Group 2022 £	Company 2021 £	Group 2021 £
Expiring within 1 year	450,928	450,928	415,424	415,424
Expiring 2 - 5 years	1,321,130	1,321,130	982,585	982,585
Expiring in more than five years	508,798	508,798	375,313	375,313
	<u>2,280,856</u>	<u>2,280,856</u>	<u>1,773,322</u>	<u>1,773,322</u>
	Other		Other	
	Company 2022 £	Group 2022 £	Company 2021 £	Group 2021 £
Expiring within 1 year	44,697	44,697	45,725	45,725
Expiring 2-5 years	59,987	59,987	2,638	2,638
	<u>104,684</u>	<u>104,684</u>	<u>48,363</u>	<u>48,363</u>

31 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £Nil (2021: £Nil).

32 Ultimate controlling party

The ultimate controlling party of the charity are the members.

33 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

34 Reconciliation of operating deficit to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) per statement of financial activities	1,004,387	(48,756)
Gains on investments	(39,002)	(406,319)
Investment income	(93,559)	(121,192)
Less profit on sale of assets	-	(1,240)
Add back loss on sale of investment property	1,641	-
Add back depreciation charge	278,118	293,626
Decrease in stocks	7,758	1,337
Decrease in debtors	476,250	402,290
(Decrease)/increase in creditors	92,757	(74,809)
	<hr/>	<hr/>
Net cash provided by operating activities	1,728,350	44,937
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net debt

	1 April 2021 £	Cash flows £	31 March 2022 £
Cash at bank and in hand	603,711	505,950	1,109,661
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CORNWALL HOSPICE CARE LIMITED

England & Wales - Charity number 1113140

Accounts

**Cornwall Hospice Care Limited
(Limited by guarantee)**

**Report of the Members of the Board and
financial statements**

For the year ended 31 March 2021

Company registration number 05660401

Charity registration number 1113140

Cornwall Hospice Care Limited (Limited by Guarantee)

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Cornwall Hospice Care Limited (Limited by Guarantee)

Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2021 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Highlights of the Year

Patient Care during Covid

Like all areas of healthcare and the wider community, the Corona Virus Pandemic impacted our hospices and we had to change some of our normal arrangements to allow us to abide by the government guidelines. We kept both of our hospice in-patient units open throughout the pandemic and ensured we looked after both patients and staff safely.

This required some changes to the range of services offered. We were unable to offer outpatient appointments and had to limit the range of hub services that could be delivered whilst remaining within Government guidelines.

Throughout the year we maintained ten in-patient beds at each unit and the number of patient admissions was our highest for some years at 404.

We continue to be regulated by the Care Quality Commission.

Patient Care	2019/20	2020/21
Number of patients admitted	380	404
Number of patients discharged	132	162
Occupied bed days	5626	5491
Outpatient appointments	37	na
Lymphedema appointments	1284	1276
Advice Line calls	1754	1479
Hub patients seen	620	258

Patient Satisfaction

We always welcome feedback from patients, families and carers and we use any feedback to further develop and improve the services we provide. Along with gaining views via engaging with the community we use a variety of methods to gain feedback from our users, including IWantGreatCare, SKiPP (St Christopher's index of patient preference), Friends and Family Feedback Questionnaire and expert user groups.

During the year we received 130 written compliments from patients and their families.

We also received 4 complaints plus 1 concern. These were all discussed with the parties involved and have been resolved. We aim to manage these promptly and thoroughly and respond fully. All complaints and compliments are reported to our Board.

Cornwall Hospice Care Limited (Limited by Guarantee)

During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

Finance

The pandemic has had a significant impact on our ability to generate income this year. Our shops have been closed for 7 months out of 12 and all face-to-face fundraising activities have been paused for most of the past year and a half. The loss of income has been considerable, but we have been able to recover much of this from a number of Government support packages that have been available to hospices to ensure continuity of bed capacity. All areas of our expenditure were carefully scrutinised to identify efficiencies and all non-essential costs were removed or deferred.

This year we generated a deficit result of £0.5m from our operations. However, the valuation of our investment portfolio saw a significant gain in line with market movements as the negative economic impact of the Covid crisis subsided. The value of the portfolio rose by £0.4m as a result of unrealised gains. These two things together have served to produce an overall deficit result of £0.1m for the year leaving reserves slightly lower than last year at £9.1m.

Of this, £8.3m is unrestricted, leaving us in a strong financial position to continue to invest confidently in the community-based services that will form an important part of our future work. The overall financial performance in the year was slightly better than budget.

At the start of the year, we budgeted for a deficit position of £0.3m which allowed for continued investment in our community hubs, to further address the competitiveness of our pay and reward packages for staff and to invest in some of our properties. Due to Covid the year has been very different to the one we expected when preparing the budget. Our income generation activities were severely curtailed but we were able to replace this, plus more, and have ended the year with a deficit result of £0.05m.

Our income in comparison to the prior year, as reported on page 23 of the financial statements, fell by 6.7% to reach £9.7m. Total expenditure was £0.8m lower, a reduction of 8.2%.

Fundraising

Net contribution from Fundraising income achieved £882k, £7k ahead of budget. This success included support for the Department from Government. Excluding that, £679k was the contribution raised by the Team.

The strongest income stream remained 'Donations', including 'in memory' gifts, 'general donations' and 'major donations', the latter of which saw significant growth, albeit likely one off at this value, as supporters looked to ensure our stability. Like most, the environment the Team operated within changed quickly, and our Team were agile and responsive to opportunities, having the freedom to develop products quickly. As the challenging year unfolded, their adoption of virtual events, proved worthwhile, achieving £49k from a virtual marathon and then further significant sums from a slew of other virtual offerings throughout the year. As a result, the 'Major Events' income line was one of the leading lines, as well as the 'Trusts and Foundations' line, which received good support from grant giving bodies.

A clear success of the year was 'Terry's Bed Appeal'; the Team's plea to supporters to help ensure the full bed capacity of each of the hospices as they faced uncertainty due to some support finishing and self-generated income winding up. This appeal, dedicated to Terry, a most generous patient of ours, raised £288k, 15% over its £250k target, in just five months from October 2020.

As the year closed, the focus began to shift from the feeling of needing emergency funding to secure work core services, but to becoming resilient and stable. This remains as the Team look forward at the year ahead.

Lastly, gifts in Wills contributed £1.9M to our care in the year. The disruptions caused by restrictions and lockdown measures were a cause for concern in this income stream, however it did perform well.

Cornwall Hospice Care Limited (Limited by Guarantee)

To everyone who has supported us, we thank you.

Retail

Covid prompted a significant change to the way our shops operated during the year. All shops were closed for 7 months of the year and all staff were furloughed. When we were open it was not possible to accept donations in shops and so some of our larger shops were converted to donation centres. This left us with 26 shops open for business along with four donation centres.

When trading, the results were extremely good, with much of the lost income being replaced by council grants and payments received from the Jobs Retention Scheme.

Our People

The average number of staff employed across the organisation fell to 269 full and part time permanent along with 10 bank. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has fallen back this year due to restrictions imposed by Covid.

The over-arching aim of our people strategy is to be an 'Employer of Choice' for Cornwall with this being delivered by;

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

The key measures from our gender pay report which was last published in 2019 are set out below:

- A Mean gender pay gap of (minus) – 18%
- A Median gender pay gap of (minus) – 36%

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care.

Vision Mission and Values

These were developed with input from trustees, staff and volunteers in 2017. This year we have continued to focus on embedding the values and ensuring all of our people understand and demonstrate them in all of their work at Cornwall Hospice Care.

Our Vision

Our vision is for all people living with terminal illness in Cornwall to be able to access the care and support they may need at the time and in the place that is right for them and their families.

Our Mission

We aspire to deliver the highest possible quality care and support to our patients and their families. We will strive to secure the resources necessary to achieve this, now and in the future.

Our Values

We aim to...

Cornwall Hospice Care Limited (Limited by Guarantee)

- **Care** by delivering the highest quality, holistic, compassionate and individualised care to people in Cornwall.
- **Value everyone**, behaving with honesty and integrity and unlocking the potential of staff and volunteers so they can deliver a high standard of care, generate funds and support the patients, families, friends and carers who rely on us.
- **Listen** carefully to what patients, families and professionals are telling us about the services we provide.
- **Communicate** in a timely and transparent manner with both internal and external audiences, ensuring we engage, consult and inform everyone in Cornwall and beyond of what we are doing and why.
- **Collaborate** working in partnership with others to broaden our scope and deliver services to those who are hard to reach.
- **Innovate** by encouraging creativity and development of ideas to ensure we are as efficient and effective as we can be in everything we do.

Structure, governance and management

Status

The charity was incorporated on 21 December 2005. The company registration number is 05660401 and it is also a registered charity, registration number 1113140.

Governing document

The charity's governing document is its Memorandum and Articles of Association.

Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 11 members and there are five sub-committees.

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings were held using video conferencing. None of the scheduled meetings needed to be cancelled and all trustees had the opportunity to attend all meetings. Additional meetings were held across the year to provide input to and oversight of our response to the challenges raised by Covid. Consequently, average attendance at meetings was significantly higher than in the previous year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Members of the Board

The following were members of the Board during the year:

Mr D W Renwick (Chair)	
Mrs M A Anson	<i>Resigned 14th September 2020</i>
Mrs L A Clarke	
Mrs S M Godzicz	<i>Appointed 1st October 2020</i>
Mr S Gupta	<i>Appointed 1st October 2020</i>
Dr S Hawkins	
Ms B Macintyre	
Mr A C Naylor	
DR CJ Phillip	
Mr G Piercy	
Mrs L J Stubberfield	
Mr A J Whyte	

Ms Macintyre and Mr Renwick also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

Board Committees

There are five sub- committees of the Board. Membership of these Committees during the year is set out below:

NB; The table represents core membership only, but any Trustee may attend any committee meeting should they so wish.

<i>Clinical Services Committee</i>	<i>Finance Committee</i>	<i>Income Generation Committee</i>	<i>Governance Committee</i>	<i>Remuneration Committee</i>
Dr S Hawkins (Chair)	Mr A C Naylor (Chair)	Mrs B Macintyre (Chair)	Mr D W Renwick (Chair)	Mr D W Renwick
Mrs M A Anson	Dr S Hawkins	Mrs L A Clarke	Dr S Hawkins	Dr S Hawkins
Dr S Gupta	Mrs S M Godzicz	Mr G Piercy	DR CJ Phillip	Mrs B Macintyre
DR CJ Phillip	Mr D W Renwick	Mr D W Renwick	Mrs L J Stubberfield	Mr A C Naylor
Mr D W Renwick	Mr A J Whyte			
Mrs L J Stubberfield				

Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process in order to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

Executive Officers

Chief Executive: Paul Brinsley

Director of Clinical Services: Gina Starnes

Finance Director & Company Secretary: Graham Clarke

Cornwall Hospice Care Limited (Limited by Guarantee)

Patron

The Rt Revd Tim Thornton, Bishop of Lambeth

Principal address and registered office

Mount Edgumbe Hospice
Porthpean Road
St Austell
Cornwall
PL26 6AB
www.cornwallhospicecare.co.uk

Advisers

Solicitors: Michelmores LLP
Woodwater House
Pynes Hill
Exeter, EX2 5WR

Auditors: RRL LLP
Peat House
Newham Road
Truro, TR1 2DP

Investments: Aberdeen Standard Wealth
30 St Marys Axe, London
EC3A 8EP

Bankers: Barclays Bank PLC
10 Church Street
St Austell, PL25 4AS

Brewin Dolphin
Vantage Point
Woodwater Park
Pynes Hill
Exeter, EX2 5FD

Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Details of transactions with those parties are included in note 15 of the financial statements.

Cornwall Hospice Care Limited (Limited by Guarantee)

Report of the Chair

Like almost all organisations, the past twelve months at Cornwall Hospice Care have been dominated by the impact of the Covid pandemic. The demand for our services has increased sharply, reflecting our growing role in the integrated care system here in Cornwall. At the same time, our ability to generate the income we need has been severely limited.

Thanks to the hard work and professionalism of our clinical staff, we have been able to keep all of our 20 beds open and operating safely. The number of patients admitted last year increased to 404, with our bed days delivered pretty much unchanged at just under 5,500.

Whilst provision of the highest quality care via our two inpatient units remains core to what we do, our objective of expanding the delivery and scope of our expertise and services into the community via Neighbourhood Hubs remains another strategic priority. During the year we saw 258 patients at our hubs and open house sessions, a sharp reduction on the previous year. We look forward to being able to re-introduce this part of our service as restrictions are lifted later in 2021.

Our income generation activities came to a complete stop at the end of March 2020 apart from lottery. We have been able to benefit from local and national Government financial support packages which have replaced much of the income we would otherwise have lost. As a result, our outturn financial position remains broadly unchanged from the previous year end.

It has been a very difficult year for all of our staff and volunteers. Some have been asked to work harder than ever, forgoing their days off to keep beds open. Many others have been asked to stay at home after being placed on furlough. Many of our volunteers have been asked to temporarily stay away whilst shops have been closed and the hospice has seen restrictions on the number of people able to work there. It has been a real pleasure to see many of our people able to return in a meaningful way in recent months. I would like to thank everyone who has played such an important role in navigating the charity through this most difficult of years.

We had one member leave the Board during the year. I would like to say a special thank you to Mary Anson who left us in September after three years of service. Mary was a valued member of the Clinical Services Committee, and her contribution will be missed. We were pleased to welcome two new Board members during the year. Sue Godzicz and Dr Sanjeev Gupta were both appointed in October, and both have made significant contributions to our work already.

David Renwick
Chair of Trustees

Cornwall Hospice Care Limited (Limited by Guarantee)

Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our advice line that provides advice and support to healthcare professionals 24 hours a day 7 days a week
- Our medical and therapy teams that make domiciliary visits in the community
- Our lymphoedema service supporting patients
- Our new Hubs and Open House initiatives engaging with local communities

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

Public benefit

The members of the Board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the members of the Board consider how planned activities will contribute to the aims and objectives set.

Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has been a very positive one during which we have been able to open more beds at both hospices, bringing our total to 20. It underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us. This followed our pledge in the last Quality Account to increase salaries where appropriate, to mirror or exceed the NHS Agenda for Change pay scales. We also increased holiday allowances for clinical staff. The net result is an ability to recruit and retain the skilled staff we need.

We have also developed our Community Services in this period to offer Neighbourhood Hub support clinics in two key towns and at our hospices, Community Friendship Cafés, Wellbeing Workshops and Bereavement Friendship Support Groups. We are often operating in collaboration with other organisations and charities and I see this collaboration developing as we all work together to offer exceptional support to those patients living with their conditions in our communities.

I continue to be humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standard of care. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration.

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Our focus in this next year must reflect the huge impact of the worldwide Coronavirus outbreak. We will focus on supporting our NHS colleagues in continuing to deliver the best possible patient care, ensuring our beds are utilised as effectively as possible to maintain system capacity.

Paul Brinsley
Chief Executive

Strategic Priorities for 2020-23

During the year we reviewed our five-year strategic priorities for the period up to 2023. This was done in consultation with Trustees, staff, and volunteers. Our agreed strategic priorities remain as set out below:

- **In-patient beds** – ensuring sufficient beds for palliative care are maintained to meet the needs of the population.
- **Community services** – offering service and support closer to home.
- **Carers** – providing emotional support and practical help to enable carers to cope with the difficult task of looking after a loved one at the end of their life.
- **Volunteers** – harnessing the skills and knowledge volunteers have to deliver services; building on the work of compassionate communities.
- **Community engagement** – ensuring services deliver what our users and potential users want and need.
- **Education** – raising the standard of end of life care in all our communities.
- **Workforce** – developing, supporting and shaping the workforce for the future.
- **Funding** – growing and developing our funding ethically from a diverse range of sources including our retail, fundraising and lottery activities.

Underpinning these eight strategic priorities we will work to deliver services that are integrated and offer value for money. We also need to ensure that throughout the coming strategic cycle we develop our workforce (paid and volunteers) ensuring it is fit to deliver care in the 21st century, therefore ensuring the balance between acute medical specialist palliative care and the wider holistic care for which hospices are renowned is correct.

Progress made in 2020/21

Consolidate the running of 10 beds

- Recruitment to clinical establishment was completed
- Maintained 20 beds during the year

Introduce electronic prescribing

- Set up a test system for training and testing
- Laptop computers were acquired and sited on drug trollies to enable electronic administration as part of drugs round
- Wi-Fi boosters installed to ensure uninterrupted connectivity on all parts of the wards.
- The system went live at both hospices in mid June.

Work in partnership to develop community services to meet identified needs

- Despite the impact of the Covid, we continued to liaise and work with our community colleagues. We appointed an Advanced Nurse Practitioner who now undertakes patient visits in the community to assess the patient prior to the decision to admit and also provides training to community colleagues.
- Continued to deliver training to nursing and residential care home staff using video links.
- Worked with Community Connect to run a series of well attended webinars.
- Played a lead role in setting up the Cornwall Bereavement Network early in 2020.

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Ensuring the clinical governance of the charity is fit for the future

- As we come out of the pandemic, we will start our detailed plans to become a nurse led unit ensuring we have the correct competencies across all fields and levels of staff.

Priorities for 2021-22

In 2021/22 our overarching priority will be to support staff to deliver excellent care for patients at Cornwall Hospice Care by:

- To continue to operate 10 beds in each of our in-patient units.
- To restart our community hubs and other services.
- To complete the roll out of our electronic prescribing system and progress work on an electronic patient records system.
- To restore the profitability of our income generation activities.
- To achieve a surplus result in the financial year 2021-22.

Risk Management and Internal control

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed on a regular basis by the Board.

The strategic risks currently being monitored include those to our future ability to generate income should there be a repeat of the lockdowns we have experienced in 2020-21. We envisage on-going challenges in staff recruitment and retention in what is likely to be a competitive employment market. We will continue to rely heavily on the contribution of our volunteer team and will take steps to facilitate a safe return for these teams.

The table below identifies the principal risks identified and monitored by the Board during the year based on the processes described above. Going forward, the Board will continue to consider work carried out by the executive on the identification and management of risk, including in relation to the delivery of our planned community programs.

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Risk Table 2020/21

Risk Area	CHC Key Risk	Mitigating Actions
Shortage of staff and volunteers across the organisation	An increased number of staff have left the charity and it has become increasingly difficult to recruit replacements. Many volunteers did not return due to need to isolate or care for family members.	We have widened the number of channels used to advertise vacancies for staff and volunteer posts. The number of internal promotions have been increased. For a limited number of hard to fill vacancies we have used recruitment agencies. Our campaigns to attract new volunteers through social media have been successful
PR & Comms	Incorrect or speculative story in the press either externally or internally sourced, e.g. changes to services, staff shortages or high salaries.	Clear communications to be maintained about our work, role and place in Cornwall's health providing community. Prepared statements to be available for key issues that may arise or that we are aware may become public knowledge. Staff communications have been strengthened leading to an internal survey on the effectiveness of our communications to staff and volunteers.
Electronic patient records	NHS organisation and organisations that deliver care under NHS contract are required to have electronic records by the end of 2020.	Business requirements have been scoped and potential options identified. A preferred solution has been chosen and costings agreed. However, as at February 2020 we have no clear steer from local commissioners and other providers about their choice of system. Covid has delayed the 2020 deadline. Eprescribing has been prioritised at CHC and went live at both units during June 2021.
Income generation	The impact of Covid 19 on our ability to raise the necessary funds to pay for the services we provide.	Bring back income generating activities only within safe guidelines only. Maximise claims for financial support available under Government and Cornwall Council schemes. Review carefully all expenditure. Utilise reserves as a last resort.
Clinical	Consultant delivered specialist palliative care in reach service being piloted with RCHT. Informal agreement during pilot and potential mismatch of expectations could lead to reputational risk.	Service Review positive and the former Medical Director was supporting RCHT in development of business case for more consultant capacity across all care settings in the county. Agreement reached to transfer CHC consultant resource to RCHT / CFT in mid 2021.

Going concern basis of accounting and long term viability

Prior to the Covid pandemic, The Directors had carried out a review of the company's budget for the coming year 2021/22 and its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

Since Covid and the substantial impact had on our ability to generate income, there have been several local and national government interventions that have replaced most of the income lost. Part of our income generation team returned during June 2020 albeit at a much lower level, before being closed again from November.

The Directors also monitor closely future expectation for legacy income, which currently has a stronger pipeline than for many years. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. These began to generate income again from 12th April 2021 when restrictions were lifted. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the executive team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

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A deficit result of £49k was recorded in the period which compared to a budgeted deficit of £273k. This result represents a reduction in the annual deficit of £811k compared to the previous year. We are very grateful for the financial assistance received in all its forms during the year from the UK government via the Job Retention Scheme, Cornwall Council for the retail support grants and NHS England for their support in keeping our beds open. Collectively these have contributed £3.2m to our income.

The additional amount received from Cornwall CCG under our clinical contract was also very much appreciated

The financial performance is summarised in the table below:

Financial Summary £000s	2020/21 Actual	2020/21 Budget	2019/20 Actual
Total Income	9,669.6	11,212.6	10,313.6
Expenditure	10,141.9	11,508.0	10,978.4
Operating Result	-472.3	-295.4	-664.8
Gain / (loss) on investments & pro	406.3	22.0	-182.1
Gain / (loss) on disposal of fixed as	1.3	0.0	2.6
Gain / (Loss) on pension scheme p	16.0	0.0	-14.8
Surplus / deficit	-48.8	-273.4	-859.2

Income

The table below sets out a summary of income as recorded in our management accounts for the year and set out in the notes to the financial statements.

The total income earned in the year was £9.7m which was £1.5m (13.4%) less than budget and £0.6m (5.8%) lower than last year.

The loss of our income generation activities was £4.5m, but much of this was replaced by grants and other support received.

Legacies receipts were significantly below budget, but we have exited the year with a strong pipeline of very generous gifts in wills which will greatly benefit our financial position in future years.

Fundraising and retail were both below budget for the year, partially due to the impact of Covid which caused event cancellations and shop closures.

Income Summary £000s	2020/21 Actual	2020/21 Budget	2019/20 Actual
Legacies	1,674.5	2,433.6	1,433.4
Donations	540.8	410.6	429.8
Fundraising	498.1	993.3	820.3
Gross income from Retail	1,282.4	5,220.8	4,955.6
Gross income from Lottery	678.0	736.5	680.0
Income from clinical contracts	1,444.8	1,044.8	1,172.5
Covid 19 Grants	3,248.7	0.0	487.1
Investment Income	121.2	69.5	106.8
All other income	181.1	303.5	228.1
Total Income	9,669.6	11,212.6	10,313.6

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Expenditure

Total expenditure for the year was as budgeted at £11.5m, representing growth of £0.53m (5%) compared to last year.

Actual expenditure for the year was £10.1m representing a significant saving of almost £1.4m across all activities. Covid required us to examine our expenditure across all areas very closely and ensure any non-essential costs were eliminated or deferred to a later date.

The table below sets out the summary of expenditure incurred.

Expenditure Summary £000s	2020/21 Actual	2020/21 Budget	2019/20 Actual
Retail	3,265.5	4,083.4	4,113.0
Lottery	195.5	329.3	292.9
Cost of raising funds	472.9	534.6	562.3
Provision of care	6,105.4	6,440.6	5,914.4
Support costs	102.6	120.1	95.8
Total Expenditure	10,141.9	11,508.0	10,978.4

Gain on investments

The value of the hospice investment portfolio grew by £0.4m during the year. The value has increased steadily during the year following a sharp reduction towards the end of the previous financial year. This trend has continued and the value grown by a further £0.1m by 1st June 2021.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

Reserves policy

The Board and the Finance Committee review the reserves policy regularly. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision brings uncertainty, but this has been mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate and ever-increasing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

COVID Resilience

Total free reserves of £4.7m were held by the charity at 31st March 2021. This comprises a general reserve equating to 3 months running costs plus a balance of £1.8m, which the Trustees believe is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

Note 30 on page 45 sets out operating lease commitments of £1.8m (2020: £1.7m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short and medium term expenditure, which it recognises may not be covered by a guaranteed income stream. This includes retention of the balances of £0.3m to cover the estimated costs of future service developments relating to the planned introduction and expansion of community services.

Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 1998, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way. The majority of the work

Cornwall Hospice Care Limited (Limited by Guarantee)

is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

Accounting policies

There were no changes to accounting policies made during the year.

Executive remuneration

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, Finance Director and the Director of Clinical Services. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Investment policy and objectives

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by Aberdeen Standard Capital and Brewin Dolphin.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year fell short of the Board's stated minimum requirement.

The charity also owns a total of four properties, other than the hospice buildings. Two of these are used for our own retail operation. The other two are rented to third parties to produce income streams. We also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements.

Our impact on the environment

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- Engaged with a new recycling partner who have a zero to landfill policy
- Stopped providing new plastic bags in our shops, replacing them with reused bags or our own paper bags.
- Stopped using shrink wrap plastic in the delivery of furniture.
- The solar panels installed at St Julia's hospice generated over 100,000 kwh of power during the year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Tax status

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

Accounting and reporting responsibilities of the Board

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. 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 Charities SORP (FRS 102);
- 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 group and 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 group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

 04-11-21

GI Clarke
Company Secretary

Porthpean Road
St Austell
Cornwall

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

Opinion

We have audited the financial statements of Cornwall Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise of the group statement of financial activities, group and company balance sheet, group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Cornwall Hospice Care Limited (Limited by Guarantee)

Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Cornwall Hospice Care Limited (Limited by Guarantee)

Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to the safeguarding of vulnerable beneficiaries and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Discussion with management as to how compliance with these laws and regulations is monitored;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Cornwall Hospice Care Limited (Limited by Guarantee)

Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Williams FCA DChA (Senior Statutory Auditor)

For and on behalf of RRL LLP

Statutory Auditors

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

24 November 2021

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated statement of financial activities

For the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income					
Donations & legacies	4	2,215,283	-	2,215,283	1,863,218
Income from Charitable Activities	5	1,444,792	-	1,444,792	1,172,503
Income from Other Trading Activities:					
Commercial trading operations	6	1,960,435	-	1,960,435	5,635,616
Fundraising	6	488,066	10,000	498,066	820,286
Covid-19 support income	7	1,317,449	1,931,295	3,248,744	487,041
Other income		181,072	-	181,072	228,072
Investment income	8	121,192	-	121,192	106,821
		<hr/>	<hr/>	<hr/>	<hr/>
Total Income		7,728,289	1,941,295	9,669,584	10,313,557
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure					
Expenditure on raising funds					
Commercial trading activities		3,460,993	-	3,460,993	4,405,925
Costs of generating donations and legacies		451,786	-	451,786	539,935
Investment portfolio fees		21,126	-	21,126	22,357
Expenditure on charitable activities					
Provision of care		4,154,248	1,951,083	6,105,331	5,914,388
Support costs		102,629	-	102,629	95,822
		<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditure	9	8,190,782	1,951,083	10,141,865	10,978,427
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains/(losses) on investments		406,319	-	406,319	(182,076)
Net expenditure		(56,174)	(9,788)	(65,962)	(846,946)
Transfers					
Gross transfers between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Other recognised gains and losses					
Gain on disposal of fixed assets		1,240	-	1,240	2,637
Pension Liability		15,966	-	15,966	(14,822)
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(38,968)	(9,788)	(48,756)	(859,131)
Reconciliation of funds:					
Fund balances brought forward		8,374,369	759,986	9,134,355	9,993,486
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward	27,28,29	8,335,401	750,198	9,085,599	9,134,355
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Balance sheet

As at 31 March 2021

	Notes	The Company 2021 £	The Group 2021 £	The Company 2020 £	The Group 2020 £
Fixed assets					
Tangible assets	18,19	4,306,744	4,306,744	4,430,588	4,430,588
Intangible assets	20	-	-	-	4,139
Investments	21	3,611,643	3,611,643	3,405,080	3,405,080
		<u>7,918,387</u>	<u>7,918,387</u>	<u>7,835,673</u>	<u>7,839,807</u>
Current assets					
Stock	22	20,979	104,029	20,979	105,366
Debtors	23	1,295,430	1,098,545	1,607,707	1,500,835
Cash at bank and in hand		340,101	603,711	121,789	402,229
		<u>1,656,510</u>	<u>1,806,285</u>	<u>1,750,475</u>	<u>2,008,430</u>
Creditors: amounts falling due within one year	24	(549,858)	(639,073)	(890,933)	(713,882)
Net current assets		1,106,652	1,167,212	859,542	1,294,548
Provision for liabilities		-	-	-	-
Total net assets		9,025,039	9,085,599	8,695,215	9,134,355
The funds of the charity					
Restricted funds	27	750,198	750,198	759,986	759,986
Unrestricted funds	28	8,274,841	8,335,401	7,935,229	8,374,369
		<u>9,025,039</u>	<u>9,085,599</u>	<u>8,695,215</u>	<u>9,134,355</u>

These financial statements were approved by the Members of the Board on 4th November 2021 and were signed on its behalf by:



D W RENWICK

Director

Company registration no.: 05660401

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated cash flow statement

For the year ended 31 March 2021

	<i>Note</i>	2021	2020
		£	£
Cash provided by/(used in) operating activities	34	44,937	(947,002)
Cash flows from investing activities			
Interest income		198	1,861
Dividends income		61,580	74,593
Rental income from investment property		59,414	30,367
		<hr/>	<hr/>
		121,192	106,821
Purchase of tangible fixed assets		(173,042)	(177,919)
Purchase of investments		(634,155)	(580,270)
Receipts from sale of investments		833,916	537,595
Withdrawal of funds from Investment Portfolio		-	139,500
Receipts from sale of tangible fixed assets		8,634	1,707
		<hr/>	<hr/>
Net cash flows from investing activities		35,353	(79,387)
Increase/(decrease) in cash equivalents		201,482	(919,568)
Cash and cash equivalents at 1 April 2020		402,229	1,321,797
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2021		603,711	402,229
		<hr/> <hr/>	<hr/> <hr/>

All of the cash flows are derived from continuing operations during the above two periods.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 11 members at 31 March 2020 (2020:10). The registered office is recorded in the Trustees' report.

2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited, Cornwall Hospice Care Lottery Limited and Resource Kernow Newco Ltd.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

3 Accounting policies

3.1 Accounting convention

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

Cornwall Hospice Care Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

3.2 Going concern

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

3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.4 *Fixed asset investments*

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

3.5 *Operating leases*

Rentals under operating leases are charged on a straight line basis over the lease term.

3.6 *Stocks*

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical.

3.7 *Income*

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

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of a legacy, in whole or in part, is only made when the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

3.8 *Grants receivable & deferred income*

Grants receivable are recognised as incoming resources in the year to which they relate. Grants are deferred where they relate to a specified future period. They may be repayable in certain circumstances.

3.9 *Expenditure*

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

3.10 *Investment properties*

In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.11 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

3.12 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

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

3.13 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

3.14 *Judgements and key sources of estimation uncertainty*

In the application of the group'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.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

4 Donations and Legacies

	2021 £	2020 £
Legacies	1,674,488	1,433,383
Donations	540,795	429,835
	<hr/>	<hr/>
	2,215,283	1,863,218
	<hr/> <hr/>	<hr/> <hr/>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5 Income from charitable activities

	2021 £	2020 £
Health authority contract	1,444,792	1,172,503
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

6 Income from trading activities

Commercial operations

	2021 £	2020 £
Gross Income from shops	1,282,414	4,955,568
Gross Income from Lottery	678,021	680,048
	<hr/>	<hr/>
	1,960,435	5,635,616
	<hr/> <hr/>	<hr/> <hr/>

Fundraising

	2021 £	2020 £
Trusts and grants	84,258	121,651
Fundraising activities	413,808	698,635
	<hr/>	<hr/>
	498,066	820,286
	<hr/> <hr/>	<hr/> <hr/>

7 Covid-19 support grant income

	Group 2021 £	Group 2020 £
Grant income from NHS England	1,931,295	-
Job Retention Scheme grant income	987,903	-
Local Authority grant income	329,546	487,041
	<hr/>	<hr/>
	3,248,744	487,041
	<hr/> <hr/>	<hr/> <hr/>

8 Investment income

	Group 2021 £	Group 2020 £
Property	59,414	30,367
Bank interest	198	1,861
Listed investments	61,580	74,593
	<hr/>	<hr/>
	121,192	106,821
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

9 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2021 Total £	2020 Total £
Staff costs	5,332,722	326,253	2,015,557	45,795	7,720,327	7,623,730
Patient care	32,070	-	-	-	32,070	79,914
Medical supplies & drugs	104,610	-	-	-	104,610	98,491
Catering & domestic supplies	64,838	-	-	-	64,838	78,257
Travel expenses	15,077	-	-	-	15,077	40,249
Training & education	33,220	-	-	-	33,220	50,680
Laundry	7,188	-	-	-	7,188	16,980
Electricity & Gas	51,711	-	-	-	51,711	46,547
Telephone	47,108	-	-	-	47,108	48,928
Rates and water	19,610	-	-	-	19,610	16,824
Uniforms	2,921	-	-	-	2,921	8,452
Printing, Postage and stationery	28,108	-	7,810	-	35,918	36,349
Insurance	27,336	-	-	-	27,336	28,114
Repairs and maintenance	102,887	-	-	-	102,887	117,368
Depreciation	147,430	-	127,990	-	275,420	293,063
Direct fundraising costs	-	34,570	-	-	34,570	128,595
Department fundraising costs	-	67,753	-	-	67,753	76,496
Banking charges	-	5,730	10,682	-	16,412	12,234
Administration charge	88,495	8,374	70,258	-	167,127	227,490
Audit and accountancy	-	-	-	15,146	15,146	14,505
Legal and professional fees	-	-	-	41,688	41,688	39,574
Irrecoverable VAT	-	9,105	-	-	9,105	9,472
Cost of sales	-	-	152,368	-	152,368	509,524
Shops operating expenses	-	-	1,057,468	-	1,057,468	1,331,396
Investment portfolio fees	-	21,127	-	-	21,127	22,357
Staff relocation & recruitment	-	-	18,860	-	18,860	22,838
	<u>6,105,331</u>	<u>472,912</u>	<u>3,460,993</u>	<u>102,629</u>	<u>10,141,865</u>	<u>10,978,427</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

10 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within note 9 and the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	35,066	Key management allocated on time
Audit and accountancy	15,146	Governance
Legal and professional	41,689	Governance
	<hr/> 91,901 <hr/>	

11 Net expenditure for the year

This is stated after charging the following:

	2021 £	2020 £
Auditors’ remuneration – audit (group)	15,146	14,505
Operating leases	661,460	680,361
Depreciation (group)	289,487	293,063
Amortisation (group)	4,139	4,139
	<hr/> 1,050,232 <hr/>	<hr/> 1,092,068 <hr/>

12 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2021	2020
Staff and management	269	300
	<hr/> 269 <hr/>	<hr/> 300 <hr/>

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	6,520,065	6,592,307
Social security costs	533,531	546,571
Other pension costs	510,866	459,852
Termination payments	155,865	25,000
	<hr/> 7,720,327 <hr/>	<hr/> 7,623,730 <hr/>

During the prior year the charity made non-contractual severance payments of £20,107. All amounts were fully paid at 31 March 2020.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Other pension costs represent employer's defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Nine employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2021	2020
£60,000 to £70,000 – Director of Clinical Services, 3 Consultants, Head of HR	5	5
£70,000 to £80,000 – Finance Director, 1 x Consultant, 1 x Speciality Doctor	3	2
£80,000 to £90,000	-	-
£90,000 to £100,000 – Chief Executive	1	1
£100,000 to £110,000	-	-
£110,000 to £120,000	-	-

The key management personnel of the group comprise of the Chief Executive, Finance Director and Director of Clinical Services. The combined employee benefits of these three personnel totalled £308,237 (2019: £446,009, five personnel). Cornwall Hospice Care Limited is unlike other hospices in that the Charity employs consultants, who are paid at the NHS rate and therefore five (2020: four) of these consultants are included within the bandings above.

13 Pension costs

Defined benefit scheme:

NHS pension scheme

The charity contributes on behalf of its employees to the National Health Service pension scheme.

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £254,811 (2020: £201,983).

Contributions amounting to £36,848 (2020: £30,907) were payable to the Fund at 31 March 2021 and are included in other creditors.

Standard Life Scheme

The charity operates a Group Personal Pension Scheme for those people not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008, and the charity makes voluntary contributions (currently up to 10% of salary) to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

Auto Enrolment

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £258,710 (2020: £257,868).

Contributions amounting to £36,637 (2020: £36,450) were payable to the Fund at 31 March 2021 and are included in other creditors.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

14 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2020: £Nil).

15 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities.

Resource Kernow Newco Ltd is a dormant subsidiary that has remained dormant throughout the year.

A summary of the results of the subsidiaries is shown below:

	Cornwall Hospice Care Trading Limited £	Cornwall Hospice Care Lottery Limited £	Resource Kernow Newco Ltd £	Total 2021 £	Total 2020 £
<i>Per company accounts</i>					
Turnover	81,742	678,021	-	759,763	1,213,489
Cost of sales	(49,966)	(102,401)	-	(152,367)	(506,059)
Interest payable	-	-	-	-	-
Administrative expenses	(31,127)	(90,730)	-	(121,857)	(268,979)
Interest receivable	14	-	-	14	690
	663	484,890	-	485,553	438,141
Amount distributed to the charity via Gift Aid	(61,178)	(802,963)	-	(864,141)	(440,742)
Result in the subsidiary	(60,515)	(318,073)	-	(378,588)	(2,601)

The assets and liabilities of the subsidiaries were:

	Cornwall Hospice Care Trading Limited £	Cornwall Hospice Care Lottery Limited £	Resource Kernow Newco Ltd £	Total 2021 £
<i>Per company accounts</i>				
Current assets	190,494	157,171	1	347,666
Current liabilities	(189,827)	(97,280)	-	(287,107)
Total net assets	667	59,891	1	60,559
Aggregate share capital and reserves	667	59,891	1	60,559

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

16 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 15.

The summary financial performance of the charity alone is:

	Total 2021 £	Total 2020 £
Income	9,391,720	9,160,409
Gift aid from subsidiaries	864,141	440,742
	<hr/>	<hr/>
	10,255,861	9,601,151
Expenditure on charitable activities	9,926,037	10,458,677
	<hr/>	<hr/>
Net income/(expenditure)	329,824	(857,526)
Total funds brought forward	8,695,215	9,552,741
	<hr/>	<hr/>
Total funds carried forward	9,025,039	8,695,215
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Restricted funds	750,198	759,986
Unrestricted funds	8,274,841	7,935,229
	<hr/>	<hr/>
Total funds carried forward	9,025,039	8,695,215
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

17 Comparative period statement of financial activities

Consolidated	Unrestricted funds £	Restricted funds £	Total 2020 £
Income			
Donations & legacies	1,863,218	-	1,863,218
Income from Charitable Activities	1,172,503	-	1,172,503
Income from Other Trading Activities:			
Commercial trading operations	5,635,616	-	5,635,616
Fundraising	771,030	49,256	820,286
Covid-19 support income	487,041		487,041
Other income	228,072		228,072
Investment income	106,821	-	106,821
	<hr/>	<hr/>	<hr/>
Total Income	10,264,301	49,256	10,313,557
	<hr/>	<hr/>	<hr/>
Expenditure			
Expenditure on raising funds			
Commercial trading activities	4,405,925	-	4,405,925
Costs of generating donations and legacies	539,935	-	539,935
Investment portfolio fees	22,357	-	22,357
Expenditure on charitable activities			
Provision of care	5,845,594	68,794	5,914,388
Support costs	95,822	-	95,822
	<hr/>	<hr/>	<hr/>
Total Expenditure	10,909,633	68,794	10,978,427
	<hr/>	<hr/>	<hr/>
Net losses on investments	(182,076)	-	(182,076)
Net expenditure	(827,408)	(19,538)	(846,946)
Transfers			
Gross transfers between funds	-	-	-
	<hr/>	<hr/>	<hr/>
Other recognised gains and losses			
Gain on disposal of fixed assets	2,637	-	2,637
Costs payable re pension contributions adjustment	(14,822)	-	(14,822)
	<hr/>	<hr/>	<hr/>
Net movement in funds	(839,593)	(19,538)	(859,131)
Reconciliation of funds:			
Fund balances brought forward	9,213,962	799,524	9,993,486
	<hr/>	<hr/>	<hr/>
Fund balances carried forward	8,374,369	759,986	9,134,355
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

18 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2020	5,807,411	1,120,085	842,363	184,143	269,869	8,223,871
Additions	-	86,948	67,228	17,218	1,648	173,042
Disposals	-	-	-	(12,950)	-	(12,950)
At 31 March 2021	5,807,411	1,207,033	909,591	188,411	271,517	8,383,963
Depreciation						
At 1 April 2020	2,011,657	834,659	665,754	114,792	166,421	3,793,283
Charge for the year	111,176	75,976	29,138	23,854	49,343	289,487
Released on disposal	-	-	-	(5,551)	-	(5,551)
At 31 March 2021	2,122,833	910,635	694,892	133,095	215,764	4,077,219
Net book value						
At 31 March 2021	3,684,578	296,398	214,699	55,316	55,753	4,306,744
At 31 March 2020	3,795,754	285,426	176,609	69,351	103,448	4,430,588

Freehold land and buildings includes land at cost of £121,020 (2020: £121,020) on which no depreciation is charged.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

19 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2020	5,807,411	1,120,085	842,363	184,143	272,869	8,226,871
Additions	-	86,948	67,228	17,218	1,648	173,042
Disposals	-	-	-	(12,950)	-	(12,950)
At 31 March 2021	5,807,411	1,207,033	909,591	188,411	274,517	8,386,963
Depreciation						
At 1 April 2020	2,011,657	834,659	665,754	114,792	169,421	3,796,283
Charge for the year	111,176	75,976	29,138	23,854	49,343	289,487
Released on disposal	-	-	-	(5,551)	-	(5,551)
At 31 March 2021	2,122,833	910,635	694,892	133,095	218,764	4,080,219
Net book value						
At 31 March 2021	3,684,578	296,398	214,699	55,316	55,753	4,306,744
At 31 March 2020	3,795,754	285,426	176,609	69,351	103,448	4,430,588

Freehold land and buildings includes land at cost of £121,020 (2019: £121,020) on which no depreciation is charged.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

20 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2020	12,417	12,417
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2021	12,417	12,417
	<hr/>	<hr/>
Depreciation		
At 1 April 2020	8,278	8,278
Charge for the year	4,139	4,139
Released on disposal	-	-
	<hr/>	<hr/>
At 31 March 2021	12,417	12,417
	<hr/>	<hr/>
Net book value		
At 31 March 2021	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	4,139	4,139
	<hr/> <hr/>	<hr/> <hr/>

21 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2021 £	Group 2021 £
At 1 April 2020	516,641	5	2,888,439	3,405,085	3,405,085
Additions at cost	-	-	634,155	634,155	634,155
Disposals	-	-	(833,916)	(833,916)	(833,916)
Unrealised gains/(losses)	-	-	406,025	406,025	406,025
Realised gains/(losses)	-	-	294	294	294
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	516,641	5	3,094,997	3,611,643	3,611,643
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold investment property at 5-7 Fore Street, St Austell was last revalued on an open market basis on 25 April 2019 by Scott Burridge Commercial. The Trustees consider the valuation appropriate at the year end.

The cost of the above listed investments at 31 March 2021 was £2,924,542 (2020: £3,094,530). The cost of the freehold investment properties amounts to £668,875 (2020: £668,875).

Carrying amount of financial assets

	2021 £	2020 £
Instruments measured at fair value through profit or loss	3,094,997	2,888,439
	<hr/> <hr/>	<hr/> <hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

22 Stocks

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Goods for resale	12,079	95,129	12,079	96,466
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	<u>20,979</u>	<u>104,029</u>	<u>20,979</u>	<u>105,366</u>

23 Debtors

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Recoverable income tax	-	-	51,130	51,130
VAT recoverable	50,967	49,778	73,999	63,697
Amounts owed by group undertakings	196,701	-	98,314	-
Other debtors	51,814	52,819	48,658	48,658
Prepayments and accrued income	995,948	995,948	1,335,606	1,337,350
	<u>1,295,430</u>	<u>1,098,545</u>	<u>1,607,707</u>	<u>1,500,835</u>

24 Creditors: amounts falling due within one year

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Trade creditors	138,557	141,107	134,574	147,837
Other creditors	98,068	98,280	215,752	220,001
Other taxation and social security	135,893	135,775	136,652	137,577
Amounts owed to group undertakings	-	-	298,990	-
Accruals	166,660	182,617	94,706	129,258
Deferred income (note 25)	10,680	81,294	10,259	79,209
	<u>549,858</u>	<u>639,073</u>	<u>890,933</u>	<u>713,882</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

25 Deferred income

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
At 1 April 2020	10,259	79,209	16,906	86,704
Released to income in year	(6,491)	(75,441)	(13,138)	(82,935)
Deferred in year	6,912	77,526	6,491	75,440
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	10,680	81,294	10,259	79,209
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

26 Contingent assets

At 31 March 2021, the Charity had been notified of legacies receivable totalling an estimated £4.3m (2020: £1.1m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £196k (2020: £196k) which are subject to a life tenancy interest held by a third party.

27 Restricted funds

The Company and the Group

	Project Appeal Fund £	Bed Purchase Fund	NHSE Covid-19 support grant	Total £
At 1 April 2020	759,986	-	-	759,986
Income	-	10,000	1,931,295	1,941,295
Expenditure	(19,538)	(250)	(1,931,295)	(1,951,083)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	740,448	9,750	-	750,198
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect £10,000 donated in contribution to bed purchases for each unit. Two beds for each unit were purchased in December 2020 for a total cost of £19,000. Depreciation on these beds of £1,000 is charged to reserves annually.

The NHSE Covid-19 support grant fund reflects funding received from the NHSE. The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. The full amount of funding made available was spent during the year on maintaining capacity and community support.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Unrestricted funds

	[----- Designated Funds -----]					
	Capital Fund	Revaluation Reserve	Future Service Develop fund	Future deficit fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2020	3,670,602	-	474,706	64,500	3,725,421	7,935,229
(Deficit)/surplus for the year	-	-	(168,267)	-	507,879	339,612
Transfer	(114,056)	170,455	-	(64,500)	8,101	-
At 31 March 2021	3,556,546	170,455	306,439	-	4,241,401	8,274,841
	[----- Designated Funds -----]					
	Capital Fund	Revaluation reserve	Future Service Develop fund	Future deficit fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2020	3,674,741	-	474,706	64,500	4,160,422	8,374,369
(Deficit)/surplus for the year	-	-	(168,267)	-	129,299	(38,968)
Transfer	(118,195)	170,455	-	(64,500)	12,240	-
At 31 March 2021	3,556,546	170,455	306,439	-	4,301,961	8,335,401

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Comparative unrestricted funds

	(a) The Company						(b) The Group					
	Capital Fund	Revaluation Reserve	Future Service Develop fund	Future deficit fund	General Reserve	Total	Capital Fund	Revaluation reserve	Future Service Develop Fund	Future deficit fund	General Reserve	Total
	£	£	£	£	£	£	£	£	£	£	£	£
At 1 April 2019	4,127,849	-	671,972	322,262	3,651,134	8,773,217	4,136,127	-	671,972	322,262	4,083,601	9,213,962
Surplus/(Deficit) for the year	-	-	(197,268)	-	(640,722)	(837,988)	-	(197,266)	-	(642,327)	719,148	(839,593)
Transfer	(457,247)	-	-	(257,762)	715,009	-	(461,386)	-	(257,762)	-	-	-
At 31 March 2020	3,670,602	-	474,706	64,500	3,725,421	7,935,229	3,674,741	-	474,706	64,500	4,160,422	8,374,369

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

28 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 27).

The Future Services Developments Fund of £306,439 represents funds designated by the Board for the expansion of community services over the next two years.

The Future Development Capital Fund was to reflect the cost of capital improvements at St Julia's Hospice. This work has been undertaken and as such, the fund has been released.

The Future Deficit Fund represents the forecast deficit in 20/21 less the amount of budgeted expenditure on community services.

29 Analysis of net assets between funds

Consolidated fund balances at 31 March 2021 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,556,546	750,198	4,306,744
Investments	3,611,643	-	3,611,643
Current assets	1,806,285	-	1,806,285
Current liabilities	(639,073)	-	(639,073)
	<u>8,335,401</u>	<u>750,198</u>	<u>9,085,599</u>

Consolidated fund balances at 31 March 2020 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,674,741	759,986	4,434,727
Investments	3,405,080	-	3,405,080
Current assets	2,008,430	-	2,008,430
Current liabilities	(713,882)	-	(713,882)
	<u>8,374,369</u>	<u>759,986</u>	<u>9,134,355</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

30 Commitments

Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Expiring within 1 year	415,424	415,424	395,116	395,116
Expiring 2 - 5 years	982,585	982,585	937,807	937,807
Expiring in more than five years	375,313	375,313	340,033	340,033
	<u>1,773,322</u>	<u>1,773,322</u>	<u>1,672,956</u>	<u>1,672,956</u>
	Other		Other	
	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Expiring within 1 year	45,725	45,725	45,725	45,725
Expiring 2-5 years	2,638	2,638	40,844	40,844
	<u>48,363</u>	<u>48,363</u>	<u>86,569</u>	<u>86,569</u>

31 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £nil (2020: £nil).

32 Ultimate controlling party

The ultimate controlling party of the charity are the members.

33 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

34 Reconciliation of operating deficit to net cash flow from operating activities

	2021 £	2020 £
Net expenditure per statement of financial activities	(48,756)	(859,131)
(Gains)/losses on investments	(406,319)	182,076
Investment income	(121,192)	(106,821)
Less profit on sale of assets	(1,240)	(2,637)
Add back depreciation charge	293,626	297,202
Decrease in stocks	1,337	72,666
Decrease in debtors	402,290	(539,688)
(Decrease)/increase in creditors	(74,809)	9,331
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	44,937	(947,002)
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net debt

	1 April 2020 £	Cash flows £	31 March 2021 £
Cash at bank and in hand	402,229	201,482	603,711
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>