

REGISTERED COMPANY NUMBER: 05325476 (England and Wales)
REGISTERED CHARITY NUMBER: 1113697

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025
FOR
THE BUTTERFLY HOSPICE TRUST**

Dexter & Sharpe
Chartered Certified Accountants
& Registered Auditors
Rollestone House
20-22 Bridge Street
Horncastle
Lincolnshire
LN9 5HZ

THE BUTTERFLY HOSPICE TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 24

THE BUTTERFLY HOSPICE TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 JULY 2025

TRUSTEES	Mrs K E Roberts Mrs L Lenton G Samra Mrs D Oldham (resigned 18.9.2024) D Hamilton N Dunmore Mrs N Effield (resigned 14.8.2024) Mrs N L Simmons Ms T A J Scoot (appointed 12.11.2024) Rev M Chambers (appointed 15.07.25)
REGISTERED OFFICE	The Butterfly Hospice Rowan Way Boston Lincolnshire PE21 9DH
REGISTERED COMPANY NUMBER	05325476 (England and Wales)
REGISTERED CHARITY NUMBER	1113697
AUDITORS	Dexter & Sharpe Chartered Certified Accountants & Registered Auditors Rollestone House 20-22 Bridge Street Horncastle Lincolnshire LN9 5HZ
SOLICITORS	Chattertons Solicitors 28 Wide Bargate Boston Lincolnshire PE21 6RT
BANKERS	Barclays Bank PLC 52 Market Place Boston Lincolnshire PE21 6LU

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objective is:- "to relieve sickness and suffering and to promote the spiritual well-being of adults in South East Lincolnshire requiring palliative care by the establishment and maintenance of a hospice and associated services."

The Butterfly Hospice Trust aims to provide completely free, compassionate, person-centred palliative and end-of-life care in a safe, welcoming, home-from-home environment. Care is provided in a way that respects individual choice and promotes physical, emotional and spiritual wellbeing for patients.

The Trust is committed to supporting families and carers alongside patients, offering emotional and bereavement support to ensure they feel informed, reassured and supported throughout the care journey and beyond.

Partnership working remains central to achieving the Trust's objectives. This includes a key clinical partnership with Lincolnshire Community Health Services NHS Trust (LCHS), which provides the clinical care delivered at the hospice, and The Sidings Medical Practice. The Trust also works closely with the NHS Lincolnshire Integrated Care Board and other statutory and voluntary sector partners to ensure services are responsive to local need and deliver clear public benefit.

Community engagement and awareness form a key part of the Trust's strategic approach. Through education, outreach and collaboration with local organisations, the Trust aims to increase understanding of hospice care, encourage community involvement and strengthen long-term support.

To ensure sustainability and effective delivery of services, the Trust focuses on strong governance, organisational development and the recruitment, training and retention of skilled staff and volunteers. Financial sustainability is supported through fundraising, retail activity, grants, community support and donations, enabling the continued provision of free hospice services.

Public benefit

The Trust's activities provide public benefit through the delivery of free palliative and end-of-life care, supported by emotional and bereavement services for patients, families and carers before and after death. Therapeutic support services are delivered in accordance with recognised professional standards, and the service is an organisational member of the National Counselling Society and the National Bereavement Alliance.

The trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit, as required by section 4 of the Charities Act 2011.

Relationships with related parties

The Trust works in partnership with a range of local and regional organisations across the statutory and voluntary sectors. Key relationships include Lincolnshire Community Health Services NHS Trust, the NHS Lincolnshire Integrated Care Board, PCN and other organisations involved in the delivery and coordination of hospice and palliative care services.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

Achievements and Performance

The 2024/25 financial year has been one of meaningful impact, organisational progress and deep compassion at The Butterfly Hospice Trust. Despite financial pressures which include rising staffing costs due to an increase in National Living Wage and National Insurance, utilities and general running expenses, we have continued to deliver exceptional, free end-of-life care. This has been made possible through the dedication of our Charity Team, our partnership with clinical colleagues and the unwavering support of our community.

Delivering Exceptional, Personalised Care

This year our team has gone above and beyond to provide compassionate, individualised support for every guest and their family.

In January, we cared for Ella, our youngest guest at just 20 years old. Clinical staff adapted her room with her favourite music and Jellycats and arranged a special visit from Percy Pig and Colin the Caterpillar through Marks & Spencer Head Office, creating treasured memories for her family.



In May, a wedding was hosted with less than 48 hours' notice. Staff from across the organisation stepped in with our Clinical Lead providing hair and makeup and our Fundraising Champion arranging a beautiful bouquet and buttonholes. It was a deeply moving occasion, reflecting the compassion and adaptability of our team.

In September, Christmas arrived early for one of our guests and her family. The hospice was transformed with festive touches, including decorations, Christmas pyjamas, presents and music. This thoughtful gesture created cherished moments of comfort and togetherness during an especially difficult time. It was a truly special occasion, created with care and love by the whole team.



**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

Investing in Facilities to Strengthen Family Support

In March, work began on **Butterfly Lodge**, our new overnight accommodation for families. The Lodge will offer an inclusive, welcoming environment, featuring a wheelchair-accessible ramp, three ensuite family bedrooms, a shared kitchen and living area and on-site parking. This facility is designed to provide a peaceful, supportive space that helps ease both emotional and practical pressures.

Offered free of charge, Butterfly Lodge represents a transformational step for our charity, ensuring families can remain close to their loved ones when it matters most.

Recognition and Partnerships

In May, we were proud to be named Charity of the Year by the Lincolnshire Chamber of Commerce. This accolade celebrates the dedication of our team and the quality of care provided at Butterfly, while also strengthening our visibility and creating new opportunities for collaboration, community engagement and partnership development.

Enhancing Holistic Support

In February, we completed the Summer House, offering a quiet wellbeing space for guests, families and staff.

In July, we formally welcomed Debbie (Counsellor) and Bran (our Therapy Dog) as official members of our team, having previously supported the hospice as Animal Assisted Therapy volunteers. Their work offers profound emotional benefits for guests, families and staff. Formalising these roles reflects our commitment to holistic and therapeutic support across our services.



Retail & Fundraising

Our Retail and Fundraising teams have continued to provide crucial income, strengthened by our shops, events, donations, legacies and the remarkable support of volunteers. We remain deeply grateful for the generosity and goodwill of our local community, whose support makes what we do possible.

Looking Ahead...

Investing in Services and Infrastructure

In 2025/26 we aim to have Butterfly Lodge fully furnished and in regular use. We recognise the associated ongoing costs, including utilities, staffing and maintenance but believe this will be a transformative addition for families.

Alongside this, we plan to build an additional, larger Pod in the hospice gardens to expand the space available for group work, activities and staff training. This development will not only enhance the support we are able to offer but will also strengthen our long-term capacity to deliver holistic care.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

Strengthening Income and Fundraising

To meet rising costs, we will focus on income growth across all fundraising streams.

Our priorities will include:

- refreshing corporate sponsorship packages
- developing a structured sponsorship pipeline
- expanding fundraising events and exploring new opportunities
- strengthening donor stewardship

These actions will help diversify and stabilise income, supporting long-term sustainability.

Growing Retail Through a Modern, Warehouse-Led Model

We are also investing in the expansion of our warehouse operations, including leasing an additional unit and strengthening our online retail presence. Moving toward a warehouse-first model, which is now common in the charity sector, will increase efficiency, maximise donations, reduce waste and support growth across both shops and online platforms.

Overall, 24/25 has been an inspiring and humbling year. As we look ahead, our Charity Strategy will guide our ongoing commitment to strengthening services, investing in our infrastructure and delivering exceptional, compassionate care - ensuring every moment truly matters for our guests and their families.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

STRATEGIC REPORT

Financial review

The financial results in the year to 31 July 2025 are clearly presented in the body of the financial statements.

Principal funding sources

The principal ongoing funding sources for the charity are currently by way of donations, fundraising activities and our retail division consisting of premises in Boston, Spalding, Louth, Bourne, Wisbech and Horncastle.

Investment policy and objectives

The trust seeks to maximise income without putting funds at risk. The trustees will continue to monitor the needs for investing funds on a regular basis. Under the constitution, the charity has the power to make any investment which the trustees see fit provided appropriate advice is taken from a professionally qualified person under the Financial Services Act 1986.

Reserves policy

During the year, the board of trustees conducts an annual review of the level of unrestricted reserves not committed or invested in tangible fixed assets ("the free reserves") in the general fund, by considering the risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient to ensure the organisation's full operating costs for a period of at least six months. In the trustees' opinion, this amounts to £630,000. Actual free reserves, as at 31 July 2025, total £819,641.

Financial and risk management objectives and policies

The trustees actively review the major risks which the charity faces on a regular basis and, combined with an annual review of the controls over key financial systems, they believe the charity could provide sufficient resources in the event of adverse conditions.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Butterfly Hospice Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Dexter & Sharpe, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on _____ and signed on the board's behalf by:

.....
Mrs L Lenton - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BUTTERFLY HOSPICE TRUST

Opinion

We have audited the financial statements of The Butterfly Hospice Trust (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BUTTERFLY HOSPICE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we have enquired of those charged with governance around actual and potential litigation and claims.
- we have reviewed financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- enquired of staff engaged in the completion of VAT, tax and compliance work to identify any instances of non compliance with laws and regulations.
- audited the risk of management override of controls including review of journal entries and large or unusual transaction, evaluating the business rationale of any significant transactions outside the course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Nicola Lenton, FCCA (Senior Statutory Auditor)
for and on behalf of Dexter & Sharpe
Chartered Certified Accountants
& Registered Auditors
Rollestone House
20-22 Bridge Street
Horncastle
Lincolnshire
LN9 5HZ

Date:

THE BUTTERFLY HOSPICE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	200,793	255,644	456,437	328,215
Charitable activities					
Shop income	5	744,918	-	744,918	713,625
Other trading activities	3	84,720	-	84,720	77,680
Investment income	4	21,063	-	21,063	17,252
Other income		8,890	-	8,890	7,531
Total		<u>1,060,384</u>	<u>255,644</u>	<u>1,316,028</u>	<u>1,144,303</u>
EXPENDITURE ON					
Raising funds	6	609,768	-	609,768	558,326
Charitable activities					
Management & Administration	7	379,193	-	379,193	342,669
Hospice costs		173,782	6,032	179,814	202,638
Therapy costs		-	65,500	65,500	54,643
Butterfly Lodge expenses		-	440	440	-
Total		<u>1,162,743</u>	<u>71,972</u>	<u>1,234,715</u>	<u>1,158,276</u>
NET INCOME/(EXPENDITURE)		(102,359)	183,672	81,313	(13,973)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,965,687	699,591	2,665,278	2,679,251
TOTAL FUNDS CARRIED FORWARD		<u><u>1,863,328</u></u>	<u><u>883,263</u></u>	<u><u>2,746,591</u></u>	<u><u>2,665,278</u></u>

The notes form part of these financial statements

THE BUTTERFLY HOSPICE TRUST (REGISTERED NUMBER: 05325476)

**BALANCE SHEET
31 JULY 2025**

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	13	1,043,687	575,636	1,619,323	1,513,144
CURRENT ASSETS					
Debtors	14	82,384	133	82,517	67,895
Cash at bank and in hand		<u>1,508,863</u>	<u>324,890</u>	<u>1,833,753</u>	<u>1,131,052</u>
		1,591,247	325,023	1,916,270	1,198,947
CREDITORS					
Amounts falling due within one year	15	<u>(30,158)</u>	<u>(9,063)</u>	<u>(39,221)</u>	<u>(46,813)</u>
NET CURRENT ASSETS		<u>1,561,089</u>	<u>315,960</u>	<u>1,877,049</u>	<u>1,152,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,604,776	891,596	3,496,372	2,665,278
ACCRUALS AND DEFERRED INCOME	17	<u>(741,448)</u>	<u>(8,333)</u>	<u>(749,781)</u>	<u>-</u>
NET ASSETS		<u><u>1,863,328</u></u>	<u><u>883,263</u></u>	<u><u>2,746,591</u></u>	<u><u>2,665,278</u></u>
FUNDS	18				
Unrestricted funds				1,863,328	1,965,687
Restricted funds				<u>883,263</u>	<u>699,591</u>
TOTAL FUNDS				<u><u>2,746,591</u></u>	<u><u>2,665,278</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue onand were signed on its behalf by:

.....
L Lenton - Trustee

.....
K E Roberts - Trustee

The notes form part of these financial statements

THE BUTTERFLY HOSPICE TRUST

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>820,838</u>	<u>4,679</u>
Net cash provided by operating activities		<u>820,838</u>	<u>4,679</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(139,200)	(78,835)
Interest received		<u>21,063</u>	<u>17,252</u>
Net cash used in investing activities		<u>(118,137)</u>	<u>(61,583)</u>
Change in cash and cash equivalents in the reporting period		702,701	(56,904)
Cash and cash equivalents at the beginning of the reporting period		<u>1,131,052</u>	<u>1,187,956</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,833,753</u></u>	<u><u>1,131,052</u></u>

The notes form part of these financial statements

THE BUTTERFLY HOSPICE TRUST
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2025

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	81,313	(13,973)
Adjustments for:		
Depreciation charges	33,021	34,452
Interest received	(21,063)	(17,252)
Increase in debtors	(14,622)	(11,548)
Increase in creditors	<u>742,189</u>	<u>13,000</u>
Net cash provided by operations	<u>820,838</u>	<u>4,679</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.24 £	Cash flow £	At 31.7.25 £
Net cash			
Cash at bank and in hand	<u>1,131,052</u>	<u>702,701</u>	<u>1,833,753</u>
	<u>1,131,052</u>	<u>702,701</u>	<u>1,833,753</u>
Total	<u>1,131,052</u>	<u>702,701</u>	<u>1,833,753</u>

The notes form part of these financial statements

THE BUTTERFLY HOSPICE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration expenditure

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes the costs of running the office premises and governance costs. Administration costs are allocated to expenditure on the raising of funds or on charitable activities as appropriate.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	377,187	86,459
Gift aid	35,310	33,146
Legacies	17,673	167,617
Grants	16,382	31,150
Lottery income	<u>9,885</u>	<u>9,843</u>
	<u>456,437</u>	<u>328,215</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	2025	2024
	£	£
Boston Borough Council	-	1,000
Lincolnshire County Council	-	18,750
Lincolnshire Volunteer Engagement Team	-	5,000
Alan Boswell Group	-	6,400
Shine	4,167	-
Hospice UK	<u>12,215</u>	<u>-</u>
	<u>16,382</u>	<u>31,150</u>

3. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Fundraising events	<u>84,720</u>	<u>77,680</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	<u>21,063</u>	<u>17,252</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2025	2024
	Activity	£	£
Shop income	Shop income	641,076	623,547
Furniture & electrical sales	Shop income	<u>103,842</u>	<u>90,078</u>
		<u>744,918</u>	<u>713,625</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

6. RAISING FUNDS

Raising donations and legacies

	2025	2024
	£	£
Staff costs	248,714	218,492
Rates and water	5,723	7,717
Insurance	3,368	3,016
Light and heat	20,430	11,177
Telephone	2,709	3,904
Postage and stationery	3,745	1,737
Sundries	1,159	771
Rent	79,910	68,680
Bank charges	5,158	4,655
Goods for resale	1,362	770
Cleaning	2,823	1,673
Legal & professional	3,614	3,747
Courses/Training	83	138
Repairs & renewals	39,721	12,346
Subscriptions	308	1,866
Retail consumables	4,119	4,218
	<u>422,946</u>	<u>344,907</u>

Other trading activities

	2025	2024
	£	£
Purchases	135	45
Staff costs	76,234	70,054
Warehouse rent	22,605	22,605
Rates & water usage	919	2,543
Insurance	3,922	3,779
Light & heat	3,424	3,585
Bank charges	963	768
Cleaning	1,479	1,787
Courses/Training	87	329
Telephone	577	1,123
Motor expenses	11,619	10,265
Sundry expenses	303	370
Stationery & advertising	2,543	1,640
Repairs & renewals	6,001	5,315
Subscriptions	51	354
Retail consumables	837	460
Fundraising costs	55,123	88,397
	<u>186,822</u>	<u>213,419</u>
Aggregate amounts	<u>609,768</u>	<u>558,326</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

7. CHARITABLE ACTIVITIES COSTS

	Restricted Funds £	Unrestricted Funds £	2025 £	2024 £
Management and administration				
Staff costs	-	235,839	235,839	187,183
Cleaning costs	-	4,690	4,690	4,193
Light and heat	-	24,073	24,073	10,416
Catering costs	-	-	-	-
Goods for resale	-	-	-	18
Motor and travel	-	2,672	2,672	2,896
Courses/training	-	3,213	3,213	1,840
Rates and water	-	1,589	1,589	1,975
Insurance	-	16,707	16,707	16,783
Telephone and internet	-	4,537	4,537	3,124
Repairs and renewals	-	19,037	19,037	48,813
Postage, stationery, advertising, printing	-	16,853	16,853	19,535
Subscriptions	-	2,317	2,317	3,550
Legal & professional	-	7,354	7,354	16,449
Accountancy & bookkeeping	-	2,442	2,442	3,782
Audit	-	4,750	4,750	4,500
Sundry expenses	-	1,580	1,580	1,538
Depreciation	-	26,237	26,237	9,213
Release of grant	-	(31)	(31)	(47)
Bank charges	-	5,334	5,334	6,908
	-	379,193	379,193	342,669
Hospice Costs				
Rates and water	-	-	-	10
Telephone and internet	96	79	175	328
Postage, stationery, advertising, printing	4,380	135	4,515	3,837
Bank charges	2	98	100	93
Maintenance, repairs & renewals	3,917	10,534	14,451	28,908
Courses/training	465	-	465	185
Catering costs	-	14,279	14,279	14,458
Cleaning	31	6,423	6,454	6,716
Sundry expenses	746	3,408	4,154	1,756
Depreciation	6,784	-	6,784	25,240
Release of grant	(174)	-	(174)	(194)
Subscriptions	67	823	890	720
Legal & professional	753	-	753	-
Wages and salaries	54,905	138,003	192,908	175,224
	71,972	173,782	245,754	257,281
	<u>71,972</u>	<u>591,861</u>	<u>624,947</u>	<u>599,950</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

8. SUPPORT COSTS

	Governance costs
	£
Management & Administration	<u><u>4,750</u></u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Auditors' remuneration	4,750	4,500
Depreciation - owned assets	<u><u>33,021</u></u>	<u><u>34,453</u></u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2025 nor for the year ended 31 July 2024.

Trustees' expenses

Expenses totalling £51 were paid to trustees in the year ended 31 July 2025 (2024: £80)

11. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	718,752	668,315
Social Security Costs	47,899	39,859
Pension Costs	<u>11,296</u>	<u>9,243</u>
	<u><u>777,947</u></u>	<u><u>717,417</u></u>

The average monthly number of employees during the year was as follows:

	2025	2024
Hospice	14	13
Management	7	5
Retail and Warehouse	18	17
Fundraising	1	3
Therapy	<u>3</u>	<u>2</u>
	<u><u>43</u></u>	<u><u>40</u></u>

KEY MANAGEMENT PERSONNEL

In the year to 31 July 2025, Key Management Personnel received emoluments totalling £180,122 (2024: £157,740).

No member of staff was paid more than £60,000 in 2025 or in 2024.

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	292,240	35,975	328,215
Charitable activities			
Shop income	713,625	-	713,625
Other trading activities	77,321	359	77,680
Investment income	17,252	-	17,252
Other income	7,531	-	7,531
Total	<u>1,107,969</u>	<u>36,334</u>	<u>1,144,303</u>
EXPENDITURE ON			
Raising funds	558,326	-	558,326
Charitable activities			
Management & Administration	342,669	-	342,669
Hospice costs	196,128	6,510	202,638
Therapy costs	-	54,643	54,643
Total	<u>1,097,123</u>	<u>61,153</u>	<u>1,158,276</u>
NET INCOME/(EXPENDITURE)	10,846	(24,819)	(13,973)
Transfers between funds	<u>(200,000)</u>	<u>200,000</u>	<u>-</u>
Net movement in funds	(189,154)	175,181	(13,973)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,154,841	524,410	2,679,251
TOTAL FUNDS CARRIED FORWARD	<u>1,965,687</u>	<u>699,591</u>	<u>2,665,278</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 August 2024	1,245,063	34,340	336,232
Additions	<u>106,463</u>	<u>8,832</u>	<u>18,793</u>
At 31 July 2025	<u>1,351,526</u>	<u>43,172</u>	<u>355,025</u>
DEPRECIATION			
At 1 August 2024	-	6,524	122,975
Charge for year	<u>-</u>	<u>3,665</u>	<u>23,205</u>
At 31 July 2025	<u>-</u>	<u>10,189</u>	<u>146,180</u>
NET BOOK VALUE			
At 31 July 2025	<u>1,351,526</u>	<u>32,983</u>	<u>208,845</u>
At 31 July 2024	<u>1,245,063</u>	<u>27,816</u>	<u>213,257</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 August 2024	44,224	2,895	36,547	1,699,301
Additions	<u>3,309</u>	<u>-</u>	<u>1,803</u>	<u>139,200</u>
At 31 July 2025	<u>47,533</u>	<u>2,895</u>	<u>38,350</u>	<u>1,838,501</u>
DEPRECIATION				
At 1 August 2024	22,992	2,509	31,157	186,157
Charge for year	<u>3,681</u>	<u>96</u>	<u>2,374</u>	<u>33,021</u>
At 31 July 2025	<u>26,673</u>	<u>2,605</u>	<u>33,531</u>	<u>219,178</u>
NET BOOK VALUE				
At 31 July 2025	<u>20,860</u>	<u>290</u>	<u>4,819</u>	<u>1,619,323</u>
At 31 July 2024	<u>21,232</u>	<u>386</u>	<u>5,390</u>	<u>1,513,144</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	-	6,000
Shop deposits	2,250	2,250
Other debtors	314	1,050
VAT	36,719	17,421
Prepayments	43,234	41,174
	<u>82,517</u>	<u>67,895</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	22,276	17,249
Other creditors	2,876	8,131
Fixed Asset Funds	1,630	1,836
Deferred Income	1,960	13,010
Accrued expenses	10,479	6,587
	<u>39,221</u>	<u>46,813</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	99,410	87,493
Between one and five years	93,417	140,710
	<u>192,827</u>	<u>228,203</u>

17. ACCRUALS AND DEFERRED INCOME

	2025	2024
	£	£
Deferred grants	8,333	-
Deferred legacies	741,448	-
	<u>749,781</u>	<u>-</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

18. MOVEMENT IN FUNDS

	At 1.8.24 £	Net movement in funds £	At 31.7.25 £
Unrestricted funds			
General fund	1,965,687	(102,359)	1,863,328
Restricted funds			
Therapy	391,976	(61,106)	330,870
Hospice restricted	307,615	(6,032)	301,583
Butterfly Lodge	-	250,810	250,810
	<u>699,591</u>	<u>183,672</u>	<u>883,263</u>
TOTAL FUNDS	<u>2,665,278</u>	<u>81,313</u>	<u>2,746,591</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,060,384	(1,162,743)	(102,359)
Restricted funds			
Therapy	4,394	(65,500)	(61,106)
Hospice restricted	-	(6,032)	(6,032)
Butterfly Lodge	251,250	(440)	250,810
	<u>255,644</u>	<u>(71,972)</u>	<u>183,672</u>
TOTAL FUNDS	<u>1,316,028</u>	<u>(1,234,715)</u>	<u>81,313</u>

Comparatives for movement in funds

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.24 £
Unrestricted funds				
General fund	2,154,841	10,846	(200,000)	1,965,687
Restricted funds				
Therapy	210,285	(18,309)	200,000	391,976
Hospice restricted	314,125	(6,510)	-	307,615
	<u>524,410</u>	<u>(24,819)</u>	<u>200,000</u>	<u>699,591</u>
TOTAL FUNDS	<u>2,679,251</u>	<u>(13,973)</u>	<u>-</u>	<u>2,665,278</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,107,969	(1,097,123)	10,846
Restricted funds			
Therapy	36,334	(54,643)	(18,309)
Hospice restricted	-	(6,510)	(6,510)
	<u>36,334</u>	<u>(61,153)</u>	<u>(24,819)</u>
TOTAL FUNDS	<u>1,144,303</u>	<u>(1,158,276)</u>	<u>(13,973)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.25 £
Unrestricted funds				
General fund	2,154,841	(91,513)	(200,000)	1,863,328
Restricted funds				
Therapy	210,285	(79,415)	200,000	330,870
Hospice restricted	314,125	(12,542)	-	301,583
Butterfly Lodge	-	250,810	-	250,810
	<u>524,410</u>	<u>158,853</u>	<u>200,000</u>	<u>883,263</u>
TOTAL FUNDS	<u>2,679,251</u>	<u>67,340</u>	<u>-</u>	<u>2,746,591</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,168,353	(2,259,866)	(91,513)
Restricted funds			
Therapy	40,728	(120,143)	(79,415)
Hospice restricted	-	(12,542)	(12,542)
Butterfly Lodge	251,250	(440)	250,810
	<u>291,978</u>	<u>(133,125)</u>	<u>158,853</u>
TOTAL FUNDS	<u>2,460,331</u>	<u>(2,392,991)</u>	<u>67,340</u>

THE BUTTERFLY HOSPICE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025**

18. MOVEMENT IN FUNDS - continued

RESTRICTED FUNDS

Restricted funds include income and assets donated or granted to the charity for specific purposes. The Hospice fund relates to the provision of care within the hospice facilities. The Therapy fund relates to the provision of therapy and counselling sessions made available for patients and their families and friends. The Butterfly Lodge fund relates to the provision of free accommodation for families and loved ones who are visiting from distant locations.

19. CAPITAL COMMITMENTS

	2025	2024
	£	£
Contracted but not provided for in the financial statements	<u>185,000</u>	<u>-</u>

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2025.

21. POST BALANCE SHEET EVENTS

After the year end, work continued on Butterfly Lodge, a building designed to accommodate families of guests who need somewhere to stay. It is expected that the Lodge will open early in the New Year.

22. SHARE CAPITAL

The charitable company is incorporated under the Companies Act as a company limited by guarantee. No share capital has been issued. In the event of the company's winding up, each member may be required to contribute an amount not exceeding £1 as a contribution towards the debts and liabilities of the company.