

KEMP HOSPICE

England & Wales · Charity number 1146310

Details

Other names KEMP HOUSE TRUST LTD, KEMP HOSPICE

Status Registered

Legal form Charitable company

Company number [07846810](#)

Registered 2012-03-09

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

Contact

Address Kemp Hospice
41 Mason Road
Kidderminster
DY11 6AG

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Website www.kemphospice.org.uk

Activities

Objects: TO PROVIDE CLINICAL, EMOTIONAL AND SPIRITUAL CARE WITH PRACTICAL SUPPORT FOR PEOPLE, THEIR FAMILIES, CARERS AND THE WIDER COMMUNITY WHO MAY BE AFFECTED BY SERIOUS AND LIFE LIMITING ILLNESS WITHIN WORCESTERSHIRE AND THE SURROUNDING AREAS

Activities: KEMP Hospice provides palliative care, compassionate support and practical help to people and their families in the Wyre Forest and surrounding areas who are affected by life limiting illnesses. This is achieved through the provision of a wide range of multidisciplinary services which treat the individual and family holistically.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,210,979	£2,097,315	£2,757,278	42
2024-03-31	£1,918,565	£1,963,074	£2,643,614	42
2023-03-31	£1,744,211	£1,693,965	£2,688,123	40
2022-03-31	£2,021,740	£1,643,910	£2,637,878	38
2021-03-31	£2,154,186	£1,497,686	£2,260,049	55

Trustees

Name	Role	Appointed
Geoff Taylor-Smith	Chair	2020-12-01
Janet Anne Rowe		2017-09-07
Katie Elizabeth Collyer		2018-03-13
Laura Nash		2024-09-25
Ruth Mayall		2024-03-14
Sarah Dugan		2025-06-11
Stuart John Allen		2025-03-12
Suzanne Beattie		2022-03-22
Zena Dalton		2024-09-25

Accounts



Company number: 07846810
Charity Number: 1146310

KEMP Hospice

Report and consolidated financial statements
For the year ended 31 March 2025



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Reference and administrative information

For the year ended 31 March 2025

Company number	07846810
Country of incorporation	United Kingdom
Charity number	1146310
Country of registration	England & Wales
Registered office and operational address	41 Mason Road KIDDERMINSTER DY11 6AG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mr Geoff Taylor-Smith	Chair
Mrs Janet Rowe	Vice-Chair
Mrs Kate Collyer	
Mrs Suzanne Beattie	
Mrs Ruth Mayall	
Ms Katherine Ellis	(Resigned 1 December 2024)
Mr Philip Davison-Fear	(Resigned 17 September 2025)
Mrs Laura Nash	(Appointed 25 September 2024)
Mrs Zena Dalton	(Appointed 25 September 2024)
Mr Stuart Allen	(Appointed 12 March 2025)
Mrs Sarah Dugan	(Appointed 11 June 2025)

Key management personnel	Mrs Caroline Beech	Chief Executive
	Mrs Rachel Paget	Head of Finance
	Mrs Cassie Bennett	Head of People & Operations (Appointed 4 June 2024)
	Mrs Laurey Grennall	Head of Care & Quality
	Mrs Lyn Cadwallader	Head of Family Support & Bereavement Services (Appointed 13 January 2025)
	Mr Ian Carr	Head of Fundraising & Communications (Appointed 31 January 2025)
	Ms Jayne Sargeant	Head of Fundraising & Communications (Resigned 13 December 2024)
	Mr Gary Barnes	Head of Retail

Bankers

Santander
Bridle Road
Bootle
L30 4GB

HSBC Bank plc
6 Broad Street
Worcester
WR1 2EJ

Solicitors

Knights
2 Chamberlain Square
Birmingham
B3 3AX

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON
EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Our objectives

To provide clinical, emotional, and spiritual care with practical support for people, their families, carers and the wider community who may be affected by serious and life-limiting illness within Worcestershire and the surrounding areas, are contained in full within our Articles of Association and also reflected in our vision, mission and values as follows:

Our Vision

Compassionate care and support with dignity.

Our Mission

To provide free holistic palliative care and support to people living with a progressive life-limiting illness.

Providing support to adults, children and young people affected by bereavement.

Our Values



**We
Care**



**We are
Collaborative**



**We are
Innovative**



**We are
Inclusive**



**We have
Integrity**



**We are
Sustainable**

KEMP Hospice is a charity dedicated to providing end-of-life care and support services to individuals and their families across the Wyre Forest.

KEMP has been providing valuable care and support to people across the Wyre Forest, affected by a life-limiting illness, for over 55 years. We give end-of-life care, counselling and emotional support free of charge to adults facing a life-limiting illness, their families, and carers for as long they need it. We're by their side in our day hospice, in their home or virtually, as they face some of their toughest times.

Care Services

KEMP Day Hospice sits at the heart of our care, providing support across the Wyre Forest for people affected by life-limiting illness. It's a happy hub where patients, their families and carers receive the support they need from our team of specialists, through one-to-one clinics and in group settings.

Clinical Care at KEMP Hospice

KEMP's specialist support and person-centred care is for everyone, no matter their life-limiting condition: cancer, organ failure, motor neurone disease and others. Our team of caring professionals specialise in palliative nursing care, rehab / exercise and occupational therapy, wellbeing therapies and psychological support. From diagnosis to end of life, we help people live as well as possible at every stage of their journey.

Exercise & Wellbeing

Our Exercise and Wellbeing Service supports patients to stay as independent as possible throughout their illness. When breathing problems and mobility issues cause them to become less self-sufficient than they like or compromise their ability to do the things they enjoy, our Exercise and Wellbeing Service steps in.

From easing pain to standing unaided and visiting favourite places, our Exercise and Wellbeing practitioner takes the time to understand what's important to the individual and develop a personalised programme designed to achieve their aims.

Occupational Therapy

Our occupational therapy team make day-to-day life easier for patients struggling with everyday activities.

With advice, adaptations, and specialist equipment, patients can continue with or work towards activities important to them and stay safe.

From getting out of bed in the morning, making a cup of tea and bathing, to enjoying hobbies and spending time with family and friends, the smallest adjustment can make the biggest difference: more independence, dignity, and a better quality of life.

Complementary Therapy

Complementary therapies give patients a sense of wellbeing and help manage any discomfort and are tailored to care for the individual's immediate and longer-term needs. Our complementary therapies give patients a sense of wellbeing and help manage any discomfort and are tailored to care for the individual's immediate and longer-term needs.

Our approach is truly holistic to treat the whole person, not only their symptoms. A qualified therapist puts together a carefully considered treatment plan, in conjunction with the patient, to care for the person's physical, emotional, and spiritual needs. And because the therapies are gentle and safe to use alongside prescribed medicine and treatment, everyone can benefit.

Creative Arts

Our creative activities help patients improve psychological wellbeing and give a sense of achievement and accomplishment. Many friendships are formed during our sessions too.

Activities call for focus, giving patients a welcome distraction from their illness and worries, and another way to express their feelings. And everyone can get involved with extra support on hand to help patients with physical limitations.

Welfare and Financial Advice

Our welfare advisor makes dealing with the practical side of death and dying, such as funeral arrangements and probate, less daunting. We're by the side of patients, carers, and families with confidential, caring, and impartial support whenever they need us..

Family Support & Bereavement Services

Our counselling and emotional support provides reassurance and a safe space for adults with or affected by a life-limiting illness, bereavement, and children and young people facing life without a loved one to explore and express their emotions

For anyone coping with bereavement

Our caring professionals are here for everyone across the Wyre Forest area, even when the death of a loved one isn't linked to a life-limiting illness. Our bereavement counselling helps people cope with their grief by giving them an outlet to talk openly about their feelings and time and space to process their emotions.

Provided by a team of dedicated staff and volunteers all our support is free to access and with our hospice users facing a wide range of life limiting illnesses and conditions, we place great importance on taking a holistic view of patient care to deliver everything in response to the specific needs of an individual and their family.

Collaborative working and provision

We are pleased to highlight our collaboration with the Community Specialist Palliative Care Team and the Wyre Forest Consultant in Palliative Medicine, aimed at ensuring the delivery of streamlined and comprehensive patient care. In addition, our support includes an NHS heart failure clinic and an NHS Lymphoedema Outpatient Clinic. We extend our services through home visits for patients unable to attend our hospice building.

Achievements and performance 2024-25

We were delighted to be awarded **INclusive Worcestershire Leader** status in January 2025, recognising KEMP's ongoing commitment to equality, diversity, and inclusion across all areas of our organisation. During the year, we also successfully renewed our **Disability Confident Employer** status, reaffirming our dedication to creating an accessible and supportive workplace for all.

In addition, KEMP was honoured to receive the **Charity Business of the Year award** at the Herefordshire and Worcestershire Chamber Business Awards in June 2024 — a testament to the dedication, compassion, and professionalism of our staff and volunteers in delivering outstanding care and support to our community.

Care Services

Our multidisciplinary team (MDT) includes a nursing team including a Clinical Nurse Specialist (CNS), an exercise and wellbeing practitioner, an occupational therapist with a rehabilitation assistant, a creative

artist, complementary therapists, counsellors, and a finance and welfare adviser. This collaborative approach is delivered through personalised one-to-one appointments, group sessions, and virtual consultations, providing accessible and flexible support for patients, families, carers, and those affected by bereavement alike.

At KEMP Hospice, we maintain the highest standards of care and service quality, guided by our commitment to enhance the quality of life for our patients and to provide unwavering support to their families, carers, and those affected by bereavement through every stage of their journey across Wyre Forest and Tenbury Wells.

In 2024-2025, KEMP Hospice made significant strides in enhancing the support provided to individuals with life-limiting conditions and their families. The Day Hospice service continued to be at the heart of our offering, providing a range of activities focused on the physical and emotional wellbeing of patients. These included:

- **Men's Support Group:** A weekly group offering emotional support and reducing isolation through shared activities.
- **'Living Well with Fatigue' course:** A 4-week programme to support individuals managing cancer recovery or lymphoedema.
- **Neurological Exercise and Anxiety Group:** A programme designed to improve balance, strength, and mobility for those with neurological conditions.
- **Breathlessness Management and Relaxation courses:** Offering tailored support to manage breathlessness and promote relaxation techniques.
- **Creative Arts and Activities:** Craft workshops, and horticulture designed to promote psychological wellbeing and community engagement.
- **Complementary Therapies:** Offering therapies like Reiki, reflexology, and aromatherapy to help manage discomfort and enhance wellbeing.
- **Occupational Therapy:** Focused on supporting independence and quality of life through assessments and specialist equipment provision.
- **Music Therapy:** Music therapy fosters connection and reminiscence, supporting emotional and spiritual well-being.

Key collaborations strengthened throughout the year, with the KEMP MDT working closely with local health and social care professionals, including those offering cardiology and lymphoedema clinics on-site, and working closely with the Specialist Community Palliative Care Teams. These working relationships ensure comprehensive, person-centred care, ensuring patients have access to the support they needed across different stages of their care journey. Additionally, the KEMP CNS was actively involved in supporting patients and their families, attending both the community specialist palliative care MDT and Gold Standard Framework as required, and working with the wider care team to provide holistic support for those in need.

Activity 2024-25

Care Services Referrals & Activity

Increased Referrals: Referrals into Clinical Services have risen by 18%, from 162 in 2023-2024 to 180 in 2024-2025.

Higher Patient Engagement: Patient day attendances to Hospice increased by 20% (from 1,030 in 2023-2024 to 1,240 in 2024-2025).

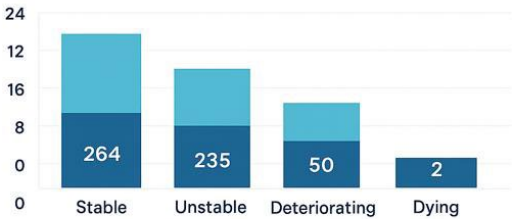
More Contacts: Care Services contacts jumped by over 2,400, a rise of 41%, from 6,024 in 2023-2024 to 8,500+ in 2024-2025.

Increased Clinical Complexity: In 2024–2025, the embedded use of Integrated Palliative Care Outcome Scale (IPOS) assessments demonstrates a significant increase in clinical complexity, with 235 assessments identifying unstable or deteriorating phases of illness, compared to 48 assessments in 2023–2024. This highlights the growing complexity of patients' conditions and the need for ongoing, proactive holistic care planning and support. IPOS (Integrated Palliative Care Outcome Scale) is a tool used to assess the multidimensional needs of patients in palliative care, focusing on symptom burden, psychosocial needs, and overall well-being.

KEMP Hospice Clinical Services – Yearly Comparison

Referrals & Attendances	2023–24	2024–25
New Referrals	162	180
Patient Day Attendances	1,030	1,240
Care Services Contacts	6,024	8,500+

Phase of Illness Breakdown



Phase of Illness	Count
Stable	264
Unstable	235
Deteriorating	50
Dying	2

Care Services saw an increase in referrals during 2024-25, with referrals rising by 18%, from 162 to 180. This growth was driven by initiatives aimed at enhancing both onsite care and expanding outreach into the community. Key factors contributing to this expansion include the availability of a wider range of services, strengthened community engagement efforts, and ongoing staff development to better address the diverse needs of service users.

Notably, the nursing team underwent expansion and increased specialisation during this period, further enhancing the quality and breadth of onsite care and support provided.

The dedicated multi-disciplinary team, comprised of nurses, exercise and well-being practitioner, occupational therapist and assistant, creative arts therapist, played a crucial role in delivering specialised care to patients and their families.

Family Support & Bereavement Services

KEMP continued to strengthen and promote its Children and Young People (CYP) services through local networking events and partnerships, including meetings with Worcestershire WEST to explore collaboration and signposting opportunities. The Family Support and Bereavement Services team hosted the Quarterly Worcestershire Networking Meeting in February, bringing together hospices and organisations supporting bereaved CYP across the region. Highlights of the year included a Christmas Memory event for families, the development of a wellbeing booklet for schools in line with Mental Health Week 2025, and joint training initiatives with St Richard’s and Primrose Hospices to support school staff. Two team members successfully completed their CPCAB Level 5 Diploma in Counselling Children and Young People, further enhancing KEMP’s specialist counselling provision.

Adult therapeutic bereavement groups were introduced and have received excellent feedback, while links with training providers, including the Sherwood Psychotherapy Training Institute, have strengthened recruitment of counsellors in training. Two trainees achieved 100 client hours and have continued volunteering with KEMP. Demand for counselling remains at full capacity, with the expected closure of the North Worcestershire Bereavement Support service likely to increase referrals. A new 0.3 counsellor role was successfully recruited in March 2025, and storytelling training has begun to enable staff and volunteers to record life stories for those in KEMP’s care. The Family Support and Bereavement

Trustees' annual report

For the year ended 31 March 2025

team continues to collaborate closely across hospice services, contributing to communications and attending Day Hospice carers groups, with regular supervision and case reviews ensuring quality and consistency of care.

The KEMP team attended the annual Hospice UK conference in Glasgow and presented our poster "Minecraft's role in pre and post bereavement counselling for children and young people: an innovative approach at a hospice", one of over 200 submissions. We were delighted to win the competition, judged by the Hospice UK panel and to be published in the BMJ Supportive & Palliative Care journal.



Family Support & Bereavement Services Referrals & Activity

Adults - Counselling Contacts and Referrals

Category	2023 - 2024	2024 - 2025	Total Contacts
Face to Face	1035	1486	+43.5%
Telephone & Virtual	301	230	-23.6%
Total Contacts	1336	1716	+28.5%
Referrals	262	271	+3.4%

We received 271 referrals (262 2023-24) for support for bereaved adults and 110 (112 2023-24) for children and young people. We have had a total of 2,792 contacts with clients. Contacts are sessions which are delivered either by phone, face to face or virtual.

There has been a notable

increase in face-to-face sessions (+43.5%) in adults' counselling, alongside a decrease in telephone and virtual contacts (-23.6%). This indicates a strong return to in-person preference post-pandemic. Overall, total adult counselling contacts rose by 28.5%, with referrals remaining broadly stable (+3.4%).

Face-to-face CYP contacts, increased by 24.6%, offset by a decrease in remote contacts. Total CYP counselling activity rose by 9.9%, while referrals remained largely unchanged.

Referrals for both Adults and CYP have stayed broadly consistent between 2023–24 and 2024–25. The shift from virtual to face-to-face support is clear, especially in adults, with a 43.5% rise in in-person sessions. Total contacts increased by 28.5% for adults and 9.9% for CYP.

Children & Young People (CYP) – Counselling Contacts and Referrals

Category	2023 - 2024	2024 - 2025	Total Contacts
Face to Face (incl. Schools)	688	857	24.6%
Telephone & Virtual	291	219	-24.7%
Total Contacts	979	1076	+9.9%
Referrals	112	110	-1.8%

Finance and Welfare 2024 – 2025

Our Finance and Welfare Advisor plays a crucial role in supporting patients and their families throughout their palliative care journey and into the bereavement period, offering continued support when it’s needed most. Over the past year, they have provided practical guidance and personalised support, tailored to each family's unique circumstances. With 228 referrals received this year, their work has resulted in an estimated total of over £429,000 in financial gains for patients and their families. Their expertise ensures that patients and their loved ones can be reassured that their practical needs are being handled with empathy and professionalism, allowing them to spend quality time together.

What Our Patients and Clients say About Us

At KEMP we value the feedback we receive from the people who receive our support, their families, and carers. This helps us to always be assessing and reviewing our work, ensuring that we are improving the quality of care we provide.

Summary of Feedback from Family Support & Bereavement Counselling Services

Service users have consistently shared positive feedback throughout the year demonstrating the effectiveness of our support in enhancing wellbeing. 115 forms were collected in total, with 88.7% scoring 10/10 for their experiences of 1:1 counselling support. Key feedback themes from service users highlight the empathetic support from counsellors, who create a confidential space for clients to speak openly and honestly, without fear of judgement. The therapeutic group support initiated this year have been well received by clients on the waiting list for 1:1 support. Participants have appreciated the opportunity to connect with others who have experienced loss, allowing them to share their feelings and normalise grief in a safe and supportive environment.

Family Support & Bereavement Services Feedback

One to one counselling:

“I was ‘stuck’ in my grief. I felt empty, numb and unable to move forward. Your counsellor has navigated

me, gently, though and I now feel able to cope better with everyday life. Thank you for helping me get back to me."

Feedback from adult support group:

"It was very relaxed and informative. If you did not want to talk it was ok, but you were encouraged to."

Feedback from Children & Young Persons memory event:

"The evening was perfect, X was a bit nervous but said he made some lovely pals, and they reflected together on who they had lost. It was a lovely, thoughtful event... when the grief builds up... I notice he gets angry, but after the evening he was so talkative and calm and processed so many feelings, we were even able to talk about our memories of nanny... thank you so much."

Feedback for Finance & Welfare service:

"Extremely supportive and knowledgeable. I couldn't have managed without the help I received."

Summary of Feedback from Care Services

Throughout the year, we have received a wide range of positive feedback from service users, reflecting the impact of our services on their wellbeing. A total of 83 comments were collected, with 97.6% (81 out of 83) rated 5/5 for their experiences. The feedback highlights the value of our varied activities and therapies, as well as the kindness and professionalism of our staff.

Key themes in the feedback include:

Craft and Creative Workshops: Many users expressed how therapeutic and enjoyable the craft sessions have been, with appreciation for the staff's dedication and knowledge. Crafting was often seen as a way to connect with others, relax, and even gain new skills, such as soap-making and jewellery-making. The social aspect of these activities was highlighted as especially valuable.

Therapeutic Services: Our massage and reflexology services received high praise for their ability to relieve physical discomfort and provide relaxation. Users commented on the professional, caring approach of staff, noting how these therapies contributed to their physical and emotional wellbeing.

Exercise and Occupational Therapy: The exercise sessions, particularly those focused on upper limb and leg strength, were frequently cited for being helpful in improving mobility. The occupational therapy home visits and advice on mobility and safety were appreciated for their practical support and personalised care.

Music Therapy: Our music therapy sessions, including ukulele and singing groups, were enjoyed by many, with feedback emphasising the uplifting nature of these activities. Users appreciated the ability of staff to create a positive, inclusive atmosphere, bringing out the best in participants.

Day Hospice and Support Services: The day hospice services were described as revitalising and a much-needed break from everyday challenges. Comments highlighted the welcoming environment and the helpful, supportive staff who make each visit special. The positive atmosphere and the quality of care were frequently noted.

Social Connection: The social and community aspect of our services was repeatedly emphasised, with users describing the opportunities to connect with others in similar circumstances as invaluable for

their mental and emotional health.

Care Services Feedback

"I like coming here because it leaves the outside world outside and revitalises my mental state."

"Staff are amazing!"

"Massage, group activities, home visit, all 5/5"

"All are very welcoming, made to feel comfortable and an individual."

"The nurse's initial visit was friendly and informed us of the purpose of what is offered. She dispelled the myth that hospices were 'end of life' places. So much different."

Men's Group

"No complaints; food/company brilliant."

"Love Monday's coming into KEMP. Brilliant!"

Generation of Income

- ✚ KEMP Hospice has a varied portfolio of fundraising initiatives. This ensures that supporters have a wide range of ways in which to engage with the charity and minimises the risk of becoming dependent on any one fundraising activity.
- ✚ KEMP Hospice is registered with the Fundraising Regulator. We adhere to and maintain the standards set out by the regulator, ensuring our fundraising is legal, open, honest, and respectful to the public. Furthermore, we are committed to adhering to the Institute of Fundraising Code of Fundraising Practice and the specific guidance on treating donors fairly (through Respect, Fairness, Accountable, Responsive) in all our fundraising activities, ensuring that we protect vulnerable people. We received no complaints in relation to our fundraising activities during the year.
- ✚ We are fortunate to have strong community support and benefit from a number of third-party events. Our dedicated Community & Events Fundraiser and wider fundraising team supports all events we are aware of, and ensures regulations are being adhered to.
- ✚ We are part of Your Hospice Lottery, which is owned and administered by St Helena Hospice and specifically operates to raise funds for hospice care. Canvassers are employed by Your Hospice Lottery but engage with KEMP as part of their induction. These fundraisers engage with the public at external venues, events, and by carrying out door to door activity. They are not permitted to carry out these activities without identification, are highly trained, and never collect or accept money. Neither do they pursue individuals who have made it clear they do not wish to engage.
- ✚ We have a Donations Centre in Kidderminster and operate 6 retail charity shops across Kidderminster, Stourport and Bewdley as well as our own online eBay shop.

Sincere Thanks

The flexible approach and dedication to ensuring the people who need our services continued to be cared for and supported throughout this year would not have been possible without the dedication of our hardworking staff along with the very many willing volunteers who give freely of their time and talents and we would like to take this opportunity to thank them all for their efforts.

At the end of the financial year, we are fortunate to have an incredible 203 (2024: 201) individuals volunteering their time across our charity within Retail; Fundraising; Finance; Care and Bereavement Services; and on our Board of Trustees. In total an incredible 29,602 (2024: 26,828) hours of time, commitment, hard work and skills were shared to help us in delivering our work.

Financial review

Our total income for the year was £2,210,979 (2024: £1,918,565) with a net surplus of £113,664 (2024: loss of £44,509). All our income is used to support in the delivery of services to our patients and clients.

Income

We received annual funding in the form of a grant agreement from Herefordshire and Worcestershire Integrated Care System totalling £300,042 (2024: £298,253).

There are some notable achievements for our income within this financial year, despite the continuing challenges due to the economic uncertainties.

- ✈ We are delighted to report an income of £765,535 (2024: £750,493) from our charity shops for 2024-25.
- ✈ Our gift aid income, £77,848 (2023-24: £75,108) has once again increased compared to last year.
- ✈ Fundraising income totalled £187,362 (2023-24: £142,634), a substantial growth compared to last year.
- ✈ We received legacy income totalling £249,245 (2023-24: £17,200).

Our thanks go to the Trustees of KEMP House Trust, who supported us in this financial year with funding of £275,436 towards us continuing to provide our vital services.

We are also grateful to the following Trusts and Foundations for their support:

- | | |
|--|---|
| ✧ The Mid-Counties Co-operative Community Team | ✧ The W E Dunn Charitable Trust |
| ✧ The Grimmitt Trust | ✧ The Heathcock Charitable Trust |
| ✧ Francis Winham Foundation | ✧ The DMF Ellis Charitable Trust |
| ✧ The Grimley Charity | ✧ Baron Davenport's Charity |
| ✧ The Burford Trust | ✧ The February Foundation |
| ✧ Albert Hunt Trust | ✧ The Roger & Douglas Turner Trust |
| ✧ The Eric W Vincent Trust Fund | ✧ Lillie Johnson Charitable Trust |
| ✧ Anglo American Foundation | ✧ The GJW Turner Trust |
| ✧ The Michael & Anna Wix Charitable Trust | ✧ The William A Cadbury Charitable Trust |
| ✧ The Blakemore Foundation | ✧ Laslett's Charities |
| ✧ The Michael Marsh Charitable Trust | ✧ Worcestershire Community Foundation (Strengthening Worcestershire Fund) |
| ✧ The Brian Shaw Memorial Trust | ✧ The Ardwick Trust |
| ✧ The Grantham Yorke Trust | ✧ Birmingham District Nursing Charitable Trust |

Expenditure

Our total expenditure in 2024-25 was £2,097,315 (2024: £1,963,074). Charitable activities expenditure was £1,023,347 (2023-24: £955,489) and fundraising and retail expenditure, which directly supports our income generation for the charity, was £1,073,968 (2024: £1,007,585), both of which reflects the increase in salary and utility costs.

Total funds held at the end of the financial year were £2,757,278 (2024: £2,643,614), of which £629,683 (2024: £549,409) is restricted to both support the fixed assets, and secure service delivery which are essential for our charitable activities.

Risk Management

KEMP Hospice maintains a comprehensive risk management framework reviewed regularly by the Board of Trustees and Senior Leadership Team. The key strategic risks identified for 2024-25 include:

- **Governance and Compliance:** Risks relating to ensuring the Board retains the right mix of skills and experience to provide effective oversight, and that compliance with policies, procedures, and regulatory standards (including CQC requirements) is consistently maintained across the organisation.
- **Workforce and Operational Capacity:** Risks associated with recruiting and retaining skilled clinical, counselling, and volunteer workers, with potential impact on service delivery and staff wellbeing. Additional risks include the need to sustain volunteer numbers and ensure robust business continuity and infection control arrangements.

- **Financial Sustainability:** Risks linked to rising costs, changes in funding, and the need to maintain sufficient income through fundraising and retail activities. This includes managing the financial implications of cost-of-living increases, energy prices, and ensuring adequate stock levels for retail operations.
- **Information Governance and Cyber Security:** Risks arising from data protection obligations and cyber threats, with mitigation through training, IT provider support, and efforts to achieve Cyber Essentials Plus accreditation.
- **External and Environmental Factors:** Risks related to changes in government or Integrated Care System (ICS) commissioning and funding strategies that may impact service delivery, as well as the broader economic climate affecting fundraising performance.
- **Reputation and Safeguarding:** Risks to KEMP's reputation and public confidence if safeguarding standards, incident reporting, or Freedom to Speak Up processes are not effectively managed.

Risk and Compliance

As a company and charity providing regulated and commissioned services, we follow codes of ethics and practice in our services and fundraising activities; we take our regulatory responsibilities seriously and work to protect our reputation and credibility as a professional organisation.

- ✈ We are thankful that we had no reportable incidents throughout the financial year. This applies to the Fundraising Regulator, CQC, ICO and Charity Commission.
- ✈ We had no CQC visit in this financial year.
- ✈ We continue to review all clinical policies and procedures, as well as ensuring a focus on the CQC assessment framework.
- ✈ All mandatory training has been carried out in line with our plans for the year and we have reviewed and updated our mandatory training matrix as part of the People policies review.
- ✈ We provide extensive reports to our Integrated Care Board Quality and Contract officers.

Reserves policy and going concern

The trustees have examined the charity's requirements for reserves considering the main risks as listed above to the organisation, including assessed projected future income, expenditure and cashflows.

The Trustees believe the Charity's financial resources and contingency planning is sufficient to ensure the continuation of the Charity as a going concern for the foreseeable future. Consequently, the financial statements have been prepared on this basis.

A reserves policy is established to ensure the Charity has the financial capacity needed to safeguard the provision of vital services to patients and carers from the adverse financial effects of significant and unforeseen changes in income and expenditure.

The boards target policy for available reserves are that the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least 6 months and no more than 18 months of anticipated expenditure. Based on the latest set of accounts, this should be between £846k and £2,540k. The Charity is a going concern, and the Board of Trustees fully intend to see this continue long into the

For the year ended 31 March 2025

future. Should this not be possible, available reserves would assist the Charity in honouring its commitments to patients and carers, employees, supporters and creditors as it scales back operations.

At the end of the financial year free reserves (excluding tangible fixed assets) for the Charity were £1,632,312 (2024: £1,611,902) which is 9 months of the anticipated expenditure and representative of the desired reserves position.

Free reserves are calculated in accordance with the Charity Commission guidance as follows:

	£
Total Reserves	2,757,278
Less	
Restricted Reserves – Tangible fixed assets	(539,504)
Restricted Reserves – Net current assets	(90,179)
Designated funds – Strategic Fund	(381,854)
Unrestricted funds – Tangible fixed assets	(93,663)
Available free reserves	1,652,078

The board manages financial risks, such as income or cost fluctuation by regularly reviewing our financial plans and income pipelines.

Plans for the future

Plans include the development of a new Hospice at Home service in the Wyre Forest, providing compassionate, specialist care for patients in the final weeks of life and offering emotional and practical support for their loved ones. This will extend the reach of KEMP's services, enabling more people to receive high-quality end-of-life care in the comfort of their own homes.

Plans also include the opening of a new retail outlet on Worcester Road in Hagley – *The Boutique by KEMP Hospice* – offering high-end donated items in an elegant, welcoming setting. As KEMP already supports residents in Hagley, this new shop will strengthen our connection with the local community while generating vital income to help sustain and grow our hospice services.

Structure, Governance and Management

KEMP Hospice is a charitable company limited by guarantee, incorporated on 14 November 2011 and registered as a charity on 9 March 2012.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Our Group Structure

The group comprises the KEMP Hospice and its wholly owned subsidiary KEMP House Trust (Hospice Shop) Limited. The group produces consolidated accounts that include the result of both entities.

KEMP House Trust (Hospice Shop) Limited is a wholly owned trading subsidiary. Its purpose is to generate income to support the Charity's objectives by selling donated and new goods at a profit in a network of shops. The trading company acts as the Trust's agent for an HMRC approved Gift Aid scheme for donated goods. It transfers profits to the Charity using the HMRC Gift Aid scheme for corporate donations. Its results are set out in note 12 of these financial statements. From 31st March 2025, the directors intend to fully transfer the activities of the Trading company to the parent company by 31 March 2026. For this reason the accounts of the Trading company have been prepared on a basis other than as a going concern.

The Board of Trustees

KEMP Hospice trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

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

The trustees agree the strategic direction of the charity through the preparation and monitoring of a 5-year strategy. To support delivery of the strategy, an operational business plan and budget is developed annually, approved, and reviewed by the trustees. Our full strategy can be viewed by visiting our website: <https://www.kemphospice.org.uk/about-us/our-strategy/>

Progress towards achieving objectives is monitored and reviewed through the respective sub-committee which are focussed on Hospice Services; Finance, People and Risk; and Income Generation, and at full Board meetings of the trustees. Monthly management accounts and quarterly reports by the Chief Executive and departmental managers are provided.

Day-to-day responsibility for the management of the charity is delegated to a senior leadership team of six, comprising: Chief Executive, Caroline Beech; Head of Finance, Rachel Paget; Head of Fundraising & Communications, Ian Carr; Head of Care & Quality, Laurey Grennall; Head of Family Support & Bereavement Services, Lyn Cadwallader; Head of People & Operations, Cassie Bennett and Head of Retail, Gary Barnes. The senior leadership team meet monthly to discuss both strategic and operational matters.

The trustees consider that they have complied with their duty in Section 17(5) of the Charities Act 2011 and have referred to the guidance provided by the Charity Commission on public benefit when reviewing the charity's aims and objectives.

The Board of Trustees have embraced the Charity Governance Code and have identified two key areas of focus: how the charity can demonstrate not only our financial/economic sustainability, but also our ecological and environmental impact in all our operations and how the organisation can embed Equality, Diversity and Inclusion within our culture and across all operations, including within the Board itself.

Appointment of trustees

KEMP Hospice recruit trustees based on several factors including, but not limited to, the need for a particular skill, a mix of backgrounds, experiences and considering a range of dynamics. The charity utilises social media to promote trustee vacancies, as well as charity and individual networks. A comprehensive structured recruitment process includes formal interview, time spent with a range of the charity personnel, and attendance at two Board meetings. The existing trustees then vote to appoint.

Within this financial year, the Board appointed Mrs Laura Nash, Mrs Zena Dalton and Mr Stuart Allen as trustees.

The following committees remain unchanged throughout the year; MAGIC (Marketing and Generation of Income Committee), Finance, People and Risk Committee, and Hospice Services Committee. Trustees must complete mandatory training which includes safeguarding; data security awareness; equality, diversity and human rights; and health and safety.

None of the trustees are remunerated.

Related parties and relationships with other organisations

KEMP House Trust is a separate registered charity (charity no. 511141), governed by a Trust Deed, which manages an investment portfolio and whose principal objective is to support the activities of KEMP Hospice, on provision of detailed application which demonstrates the benefits to the beneficiaries of the hospice services.

During the year ending March 2025 there were four trustees, who meet quarterly and manage and oversee the investment portfolio with the professional advice of Rathbones Group PLC (formerly Investec Wealth and Investment Ltd). who meet with the trustees at least twice a year and provide regular written reports to the board.

KEMP House Trust (Hospice Shop Ltd): The Trading Company is a wholly owned subsidiary of the Hospice. There were two directors serving during the year who have accountability for retail activities. Both of the directors are hospice Trustees. The Chief Executive has ultimate responsibility for the management of the Hospice and Trading Company. The Head of Retail and Head of Finance attend the Board meetings, which are held quarterly.

Statement of responsibilities of the trustees

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

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

- ✦ Select suitable accounting policies and then apply them consistently
- ✦ Observe the methods and principles in the Charities SORP
- ✦ Make judgements and estimates that are reasonable and prudent
- ✦ State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- ✦ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and 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 auditor is unaware
- ✦ 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 auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 7 (2024: 7). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 3 December 2025 and signed on their behalf by

Geoff Taylor-Smith
Chair

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on KEMP Hospice'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.

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance and income committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Use of our report

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

Fleur Holden (Senior statutory auditor)

08 December 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

KEMP Hospice
Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	851,782	97,186	948,968	698,001	39,680	737,681
Charitable activities							
Hospice services	3	317,441	22,203	339,644	309,328		309,328
Education income	3	3,504	10,764	14,268	764	–	764
Other trading activities							
Charity shop income		765,535	–	765,535	750,493	–	750,493
Management charges		3,000	–	3,000	3,000	–	3,000
Lottery income		49,240	–	49,240	51,158	–	51,158
Investments		90,324	–	90,324	66,141	–	66,141
Total income		2,080,826	130,153	2,210,979	1,878,885	39,680	1,918,565
Expenditure on:							
Raising funds							
Fundraising costs		397,777	–	397,777	372,169	–	372,169
Charity shop costs		676,191	–	676,191	635,416	–	635,416
Charitable activities							
Hospice services		973,468	49,879	1,023,347	897,618	57,871	955,489
Total expenditure	4	2,047,436	49,879	2,097,315	1,905,203	57,871	1,963,074
Net income / (expenditure) for the year	6	33,390	80,274	113,664	(26,318)	(18,191)	(44,509)
Transfers between funds		–	–	–	–	–	–
Net movement in funds		33,390	80,274	113,664	(26,318)	(18,191)	(44,509)
Reconciliation of funds:							
Total funds brought forward		2,094,205	549,409	2,643,614	2,120,523	567,600	2,688,123
Total funds carried forward		2,127,595	629,683	2,757,278	2,094,205	549,409	2,643,614

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

KEMP Hospice

Balance sheets

Company no. 07846810

As at 31 March 2025

	Note	The group 2025 £	2024 £	The charity 2025 £	2024 £
Fixed assets:					
Tangible assets	10	633,167	640,445	633,167	636,069
Investments	11	–	–	5,002	5,002
		633,167	640,445	638,169	641,071
Current assets:					
Stock	13	1,708	1,441	1,708	–
Debtors	14	333,234	541,594	338,372	992,241
Cash at bank and in hand		1,980,339	1,677,024	1,950,873	1,154,743
		2,315,281	2,220,059	2,290,953	2,146,984
Liabilities:					
Creditors: amounts falling due within one year	15	(161,270)	(186,990)	(150,545)	(162,933)
Net current assets		2,154,011	2,033,069	2,140,408	1,984,051
Total assets less current liabilities		2,787,178	2,673,514	2,778,577	2,625,122
Provision for liabilities	16	(29,900)	(29,900)	(29,900)	(6,000)
Total net assets	17	2,757,278	2,643,614	2,748,677	2,619,122
Funds:	18				
Restricted income funds		629,683	549,409	629,683	549,409
Unrestricted income funds:					
Designated funds		381,854	381,854	381,854	381,854
General funds		1,745,741	1,712,351	1,737,140	1,687,859
Total funds		2,757,278	2,643,614	2,748,677	2,619,122

The surplus of the Charity for the year ended 31 March 2025 was £129,555 (2024: Deficit – £37,227).

Approved by the trustees on 3rd December 2025 and signed on their behalf by

Geoff Taylor-Smith
Chair

Janet Rowe
Trustee

Consolidated statement of cash flows

For the year ended 31 March 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		113,664		(44,509)	
Depreciation charges		32,595		51,616	
Interest from investments		(90,324)		(66,141)	
(Increase)/decrease in stocks		(267)		920	
Decrease in debtors		208,360		21,532	
(Decrease)/increase in creditors		(25,720)		37,923	
Net cash provided by operating activities			238,308		1,341
Cash flows from investing activities:					
Interest received		90,324		66,141	
Purchase of fixed assets		(25,317)		(31,418)	
Net cash provided by investing activities			65,007		34,723
Change in cash and cash equivalents in the year			303,315		36,064
Cash and cash equivalents at the beginning of the year			1,677,024		1,640,960
Cash and cash equivalents at the end of the year			1,980,339		1,677,024

Analysis of cash and cash equivalents

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,677,024	303,315	1,980,339
Total cash and cash equivalents	1,677,024	303,315	1,980,339

1 Accounting policies

a) Statutory information

KEMP Hospice is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 41 Mason Road, Kidderminster, Worcestershire, DY11 6AG.

b) Basis of preparation

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

These financial statements consolidate the results of the charity and its wholly-owned subsidiary KEMP House Trust (Hospice Shop) Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. A summary of the result for the year is disclosed in the notes to the accounts.

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

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

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

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Further information in relation to the trustees' appraisal of going concern is included in the trustees' annual report.

There are no key judgements that the charity has made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

From 31st March 2025, the directors intend to fully transfer the activities of the Trading company to the parent company by 31 March 2026. For this reason the accounts of the Trading company have been prepared on a basis other than as a going concern

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

1 Accounting policies (continued)

e) Income (continued)

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

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

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

g) Interest receivable

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

h) Fund accounting

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

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

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

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, grants and legacies and costs of trading activities including the costs of goods sold, shop costs and their associated support costs
- Expenditure on charitable activities includes the costs of providing specialist palliative care and support and the costs of community services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

1 Accounting policies (continued)**j) Allocation of support costs**

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the hospice's charitable, income generating and governance activities to be undertaken.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of raising funds	34%
● Hospice services	66%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

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

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

● Leasehold land & buildings	4% straight line and 99 years
● Leasehold property improvements	5 years
● Motor vehicles	4 years
● Office equipment	3 years
● Furniture & equipment	3 years

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Pensions

Pension contributions to the group personal pension plan are charged against income when payable.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
General donations	14,722	–	14,722	9,818	–	9,818
Gift aid	77,848	–	77,848	75,108	–	75,108
In memoriam	34,959	–	34,959	36,044	–	36,044
Grants from KEMP House Trust	200,000	75,436	275,436	351,000	–	351,000
Other charitable trusts	57,438	21,750	79,188	41,600	39,680	81,280
Legacies	249,245	–	249,245	17,200	–	17,200
Corporate income	30,208	–	30,208	24,597	–	24,597
Fundraising income	187,362	–	187,362	142,634	–	142,634
	851,782	97,186	948,968	698,001	39,680	737,681

Fundraising income includes events, raffle, community fundraising and donations.

3 Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
CCG grant	300,042	–	300,042	298,253	–	298,253
Hospice UK Income	–	22,203	22,203	–	–	–
Other income	17,399	–	17,399	11,075	–	11,075
Sub-total for Hospice services	317,441	22,203	339,644	309,328	–	309,328
Education income	3,504	10,764	14,268	764	–	764
Sub-total for Education	3,504	10,764	14,268	764	–	764
Total income from charitable activities	320,945	32,967	353,912	310,092	–	310,092

Education income is for medical student palliative care placements.

4a Analysis of expenditure (current year)

			Charitable activities				
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2025 Total £	2024 Total £
Staff costs (Note 6)	133,582	424,865	573,520	-	322,112	1,454,079	1,329,730
Fundraising costs	46,419	-	-	-	-	46,419	41,421
Hospice events	17,441	-	-	-	-	17,441	10,813
Hospice care	-	-	44,360	-	-	44,360	44,576
Community fundraising	2,932	-	-	-	-	2,932	4,249
Corporate costs	5,738	-	-	-	-	5,738	3,239
Volunteer costs	-	-	-	-	131	131	337
Catering	-	-	10,461	-	-	10,461	9,394
Running costs	-	251,326	-	-	-	251,326	254,848
Comms and marketing	-	-	-	-	7,033	7,033	40,810
Operations	-	-	-	-	35,115	35,115	28,400
Building costs	-	-	-	-	107,360	107,360	103,403
IT costs	7,260	-	18,165	-	50,252	75,677	44,402
Training	1,404	-	10,840	-	6,897	19,141	15,546
Professional fees	-	-	-	-	3,322	3,322	11,946
Audit fee	-	-	-	16,780	-	16,780	19,960
	214,776	676,191	657,346	16,780	532,222	2,097,315	1,963,074
Support costs	177,407	-	354,815	-	(532,222)	-	-
Governance costs	5,593	-	11,187	(16,780)	-	-	-
Total expenditure 2025	397,777	676,191	1,023,347	-	-	2,097,315	
Total expenditure 2024	372,169	635,416	955,489	-	-		1,963,074

KEMP Hospice

Notes to the financial statements

For the year ended 31 March 2025

4b Analysis of expenditure (prior year)

			Charitable activities			
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2024 Total £
Staff costs (Note 6)	121,932	380,568	528,663	–	298,567	1,329,730
Fundraising costs	41,421	–	–	–	–	41,421
Hospice events	10,813	–	–	–	–	10,813
Hospice care	–	–	44,576	–	–	44,576
Community fundraising	4,249	–	–	–	–	4,249
Corporate costs	3,239	–	–	–	–	3,239
Volunteer costs	–	–	–	–	337	337
Catering	–	–	9,394	–	–	9,394
Running costs	–	254,848	–	–	–	254,848
Comms and marketing	–	–	–	–	40,810	40,810
Operations	–	–	–	85	28,315	28,400
Building costs	–	–	–	–	103,403	103,403
IT costs	7,753	–	406	–	36,243	44,402
Training	720	–	8,365	613	5,848	15,546
Professional fees	–	–	–	–	11,946	11,946
Audit fee	–	–	–	19,960	–	19,960
	<u>190,127</u>	<u>635,416</u>	<u>591,404</u>	<u>20,658</u>	<u>525,469</u>	<u>1,963,074</u>
Support costs	175,156	–	350,313	–	(525,469)	–
Governance costs	6,886	–	13,772	(20,658)	–	–
Total expenditure 2024	<u>372,169</u>	<u>635,416</u>	<u>955,489</u>	<u>–</u>	<u>–</u>	<u>1,963,074</u>

Notes to the financial statements

For the year ended 31 March 2025

5 Net income / (expenditure) for the year

This is stated after charging:	2025	2024
	£	£
Depreciation	32,595	51,616
Loss on disposal of fixed assets	-	-
Operating lease rentals:		
Property	106,325	94,033
Equipment	1,103	1,515
Auditor's remuneration (excluding VAT):		
Audit of parent charity	11,150	11,150
Audit of subsidiary	3,750	3,750
Other services	-	1,750

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

Staff costs were as follows:

	£	£
Salaries and wages	1,292,602	1,202,953
Social security costs	105,605	85,476
Employer's contribution to defined contribution pension schemes	55,872	41,301
	1,454,079	1,329,730

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025	2024
	No.	No.
£60,000 – £69,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £328,216 (2024: £319,471).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

No charity trustee received expenses for the payment or reimbursement of travel and subsistence costs (2024: £nil).

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 59 (2024: 60).

Staff are split across the activities of the charity as follows (full time equivalent basis):	2025	2024
	No.	No.
Raising funds	5.7	4.7
Management and administration	5.1	4.8
Retail	14.3	14.7
Support	16.7	17.4
Governance	0.5	0.5
	42.3	42.1

8 Related party transactions

During the financial year ended 31 March 2025, KEMP House Trust (Hospice Shop) Ltd made sales of donated goods on behalf of the hospice to the value of £296,707 (2024: £278,667). KEMP House Trust (Hospice Shop) Ltd paid management recharges to the hospice of £259,884 (2024: £240,774).

At 31 March 2025 KEMP House Trust (Hospice Shop) Ltd owed KEMP Hospice £217,227 (2024: £625,203).

KEMP Hospice received grants of £200,000 within the year (2024: £351,000) from KEMP House Trust, of which £25,000 (2024: £281,941) was outstanding at year end.

Aggregate donations from related parties were £2,841 (2024: £845).

Notes to the financial statements

For the year ended 31 March 2025

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary KEMP House Trust (Hospice Shop) Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2025 £	2024 £
UK corporation tax at 19%	-	-

10 Tangible fixed assets

The group	Leasehold buildings £	Leasehold improvements £	Motor vehicles £	Office equipment £	Furniture and equipment £	Total £
Cost						
At the start of the year	815,755	26,080	22,120	138,959	130,768	1,133,682
Additions in year	1,800	-	-	19,266	4,251	25,317
Disposals in year	-	(6,304)	-	(2,594)	(61,602)	(70,500)
At the end of the year	817,555	19,776	22,120	155,631	73,417	1,088,499
Depreciation						
At the start of the year	209,425	26,080	22,120	112,800	122,812	493,237
Charge for the year	13,154	-	-	12,196	7,245	32,595
Eliminated on disposal	-	(6,304)	-	(2,594)	(61,602)	(70,500)
At the end of the year	222,579	19,776	22,120	122,402	68,455	455,332
Net book value						
At the end of the year	594,976	-	-	33,229	4,962	633,167
At the start of the year	606,330	-	-	26,159	7,956	640,445

The Charity	Leasehold buildings £	Motor Vehicles £	Office equipment £	Furniture and equipment £	Total £
Cost					
At the start of the year	815,755	-	132,874	92,727	1,041,356
Additions in year	1,800	-	19,266	3,076	24,142
Disposals in year	-	-	(2,594)	(43,071)	(45,665)
Transferred into the Charity	19,776	22,120	6,086	20,684	68,666
At the end of the year	837,331	22,120	155,632	73,416	1,088,499
Depreciation					
At the start of the year	209,425	-	107,743	88,119	405,287
Charge for the year	13,154	-	11,168	4,588	28,910
Eliminated on disposal	-	-	(2,594)	(43,071)	(45,665)
Transferred into the Charity	19,776	22,120	6,086	18,818	66,800
At the end of the year	242,355	22,120	122,403	68,454	455,332
Net book value					
At the end of the year	594,976	-	33,229	4,962	633,167
At the start of the year	606,330	-	25,131	4,608	636,069

The above assets are used for the Group and Charity.

Notes to the financial statements

For the year ended 31 March 2025

11 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of KEMP House Trust (Hospice Shop) Limited, a company registered in England. The company number is 02847086. The registered office address is 41 Mason Road, Kidderminster, DY11 6AG.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

In the prior year, the directors approved the decision to liquidate the company as the premises leases and trading activity would be transferred to charity. The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur. In 2024 and 2025, the salaries were paid by the Charity and recharged to the subsidiary as a management charge.

Kate Collyer is also a director of the subsidiary.

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

	2025 £	2024 £
Turnover	468,990	474,613
Cost of sales	(2,325)	(2,885)
Gross profit	466,665	471,728
Administrative expenses	(214,513)	(263,426)
Management charge payable to parent undertaking	(296,707)	(240,774)
Loss on ordinary activities before interest and taxation	(44,555)	(32,472)
Interest receivable and similar income	31,131	25,726
Loss on ordinary activities before taxation	(13,424)	(6,746)
Taxation on profit on ordinary activities	–	(1,471)
Loss for the financial year	(13,424)	(8,217)
Retained earnings		
Total retained earnings brought forward	22,025	31,238
Loss for the financial year	(13,424)	(8,217)
Distribution under Gift Aid to parent charity	–	(996)
Total retained earnings carried forward	8,601	22,025
The aggregate of the assets, liabilities and reserves was:		
Assets	244,107	702,654
Liabilities	(230,504)	(674,156)
Reserves	13,603	28,498

Amounts owed to the parent undertaking are shown in note 14.

	2025 £	2024 £
Shares in group undertaking		
Cost at 1 April 2024 and 31 March 2025	5,002	5,002

The charity owns 100% of the share capital of KEMP House Trust (Hospice Shop) Limited.

Notes to the financial statements

For the year ended 31 March 2025

12 Parent charity

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

	2025 £	2024 £
Gross income	1,732,654	1,455,282
Result for the year	129,555	(37,227)

13 Stock

	The group 2025 £	2024 £	The charity 2025 £	2024 £
Bought goods	1,708	1,441	1,708	-
	1,708	1,441	1,708	-

14 Debtors

	The group 2025 £	2024 £	The charity 2025 £	2024 £
Trade debtors	16,988	22,693	16,988	22,693
Amounts due from subsidiary company	-	-	217,227	625,203
Amounts due from KEMP House Trust	25,000	283,407	25,000	281,941
VAT	212,089	160,588	-	-
Gift Aid	15,984	17,783	15,984	17,783
Prepayments and accrued income	63,173	57,123	63,173	44,621
	333,234	541,594	338,372	992,241

15 Creditors: amounts falling due within one year

	The group 2025 £	2024 £	The charity 2025 £	2024 £
Trade creditors	20,547	29,673	9,822	14,496
Taxation and social security	-	22,214	-	22,214
Pension Fund	8,594	5,895	8,594	6,895
VAT	87,117	77,877	87,117	77,877
Accruals and deferred income	45,012	50,331	45,012	41,451
	161,270	185,990	150,545	162,933

Notes to the financial statements

For the year ended 31 March 2025

16 Provision for liabilities

	The group 2025 £	2024 £	The charity 2025 £	2024 £
Dilapidations	29,900	29,900	29,900	6,000
	29,900	29,900	29,900	6,000

The movement in dilapidations provision in the year was:

	The group 2025 £	2024 £	The charity 2025 £	2024 £
At the start of the year	29,000	29,900	6,000	6,000
Transfer from subsidiary	–	–	23,900	–
At the end of the year	29,000	29,900	29,900	6,000

Within the provision for liabilities is the dilapidation provision for the cost of repairs to a number of leasehold properties at the end of their leases. This value is re-assessed annually. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain. During the financial year, provisions held by KEMP House Trust (Hospice Shop) Limited were transferred into the parent company, KEMP Hospice.

17a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	93,663	539,504	–	633,167
Net current assets	1,652,078	90,179	381,854	2,124,111
Net assets at 31 March 2025	1,745,741	629,683	381,854	2,757,278

17b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	101,260	539,185	–	640,445
Net current assets	1,611,092	10,224	381,854	2,003,170
Net assets at 31 March 2024	1,712,352	549,409	381,854	2,643,615

Notes to the financial statements

For the year ended 31 March 2025

18a Movements in funds (current year)

	At 1 April 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2025 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	222,768	–	(15,912)	–	206,856
Freehold property at Mason Road	316,417	–	(3,535)	–	312,882
DHSC Capital Grant Year 1	–	22,203	(2,437)	–	19,766
The Kildare Trust	7,312	–	(1,380)	–	5,932
Befriending	–	2,000	(2,000)	–	–
Exercise and wellbeing refurbishment	2,912	–	(2,912)	–	–
Occupational therapy refurbishment	–	5,000	(439)	–	4,561
Bereavement services	–	10,500	(10,500)	–	–
Hospice at Home	–	79,686	–	–	79,686
Worcestershire Skills Boost	–	10,764	(10,764)	–	–
Total restricted funds	549,409	130,153	(49,879)	–	629,683
Unrestricted funds:					
Designated funds:					
Strategic Fund	381,854	–	–	–	381,854
Total designated funds	381,854	–	–	–	381,854
General funds	1,712,351	2,080,826	(2,047,437)	–	1,745,740
Total unrestricted funds	2,094,205	2,080,826	(2,047,437)	–	2,127,594
Total funds	2,643,614	2,210,979	(2,097,315)	–	2,757,278

Details of Restricted funds

KEMP in the Garden Building and Freehold Property at Mason Road – depreciation charged on buildings used to deliver our services.

DHSC Capital Grant Year 1 – A Grant from DHSC (Department of Health & Social Care) to spend on eligible capital projects. The funding was spent on Hospice and IT equipment.

The Kildare Trust – funding to improve the garden at Mason Road.

Befriending – a grant to support the befriending service supported by The Grimley Charity and the William A Cadbury Charitable Trust

Exercise and wellbeing refurbishment – project to provide an area for the provision of exercise and wellbeing activities supported by The Rowlands Trust and Roger & Douglas Turner Charitable Trust.

Occupational therapy refurbishment – project to refurbish the occupational therapy room

Bereavement services – A grant to provide bereavement counselling for children and young people funded by The Laslett's Charities, Birmingham District Nursing Charitable Trust and the Grantham Yorke Trust.

Hospice at Home – Grants provided to support the launch of Hospice at Home services funded by KEMP House Trust, The Eric W. Vincent Trust Fund and the G J W Turner Trust

Worcestershire Skills Boost – Funding from Worcestershire County Council to provide training and development opportunities for employees.

Details of Designated Funds

Designated funds are funds which the trustees have set aside for the maintenance and improvement works to the hospice building, employee wellbeing and the development of our digital strategy. The Trustees have transferred all remaining designated funds at the year end into the new strategic fund.

Strategic Fund – This fund is held to support the objectivities identified in the strategy, including the development and completion of the new Hospice building, and to support care service or workforce development initiatives.

Notes to the financial statements

For the year ended 31 March 2025

18b Movements in funds (prior year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	238,680	–	(15,912)	–	222,768
Freehold property at Mason Road	319,952	–	(3,535)	–	316,417
BBC Children in Need	900	–	(900)	–	–
The Kildare Trust	8,068	–	(756)	–	7,312
Befriending	–	1,000	(1,000)	–	–
Triage room refurbishment	–	5,680	(5,680)	–	–
Exercise and wellbeing refurbishment	–	8,000	(5,088)	–	2,912
Bereavement services	–	3,000	(3,000)	–	–
Care and support services	–	22,000	(22,000)	–	–
Total restricted funds	567,600	54,680	(72,871)	–	549,409
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	178,267	–	–	(178,267)	–
Refurbishment of hospice patient focussed rooms and general areas	105,800	–	–	(105,800)	–
Hospice kitchen & equipment	20,000	–	–	(20,000)	–
Wellbeing	4,000	–	(813)	(3,187)	–
Digital	48,000	–	(33,400)	(14,600)	–
Hospice roof and cellar	60,000	–	–	(60,000)	–
Strategic Fund	–	–	–	381,854	381,854
Total designated funds	416,067	–	(34,213)	–	381,854
General funds	1,704,456	1,878,885	(1,870,990)	–	1,712,351
Total unrestricted funds	2,120,523	1,878,885	(1,905,203)	–	2,094,205
Total funds	2,688,123	1,933,565	(1,978,073)	–	2,643,614

19 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2025 £	2024 £	Equipment 2025 £	2024 £
Less than one year	86,333	90,500	694	–
One to five years	8,000	36,833	2,429	–
	94,333	127,333	3,123	–

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2025 £	2024 £	Equipment 2025 £	2024 £
Less than one year	86,833	43,000	694	–
One to five years	8,000	36,833	2,429	–
	94,833	79,833	3,123	–

KEMP HOSPICE

England & Wales - Charity number 1146310

Accounts



Company number: 07846810
Charity Number: 1146310

KEMP Hospice

Report and consolidated financial statements
For the year ended 31 March 2024



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Reference and administrative information

For the year ended 31 March 2024

Company number 07846810
Country of incorporation United Kingdom

Charity number 1146310
Country of registration England & Wales

Registered office and operational address 41 Mason Road
 KIDDERMINSTER
 DY11 6AG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mr Geoff Taylor-Smith Chair
 Mrs Janet Rowe
 Mrs Kate Collyer
 Mrs Julia Neal (Resigned 14 March 2024)
 Ms Polly Symondson (Resigned 22 September 2023)
 Ms Katherine Ellis
 Mrs Suzanne Beattie
 Mr Philip Davison
 Mrs Ruth Mayall (Appointed 14 March 2024)
 Mrs Laura Nash (Appointed 25 September 2024)
 Mrs Zena Dalton (Appointed 25 September 2024)

Key management personnel	Caroline Beech	Chief Executive
	Laurey Grennall	Head of Hospice Services
	Jayne Sargeant	Head of Fundraising & Communications
	Gary Barnes	Head of Retail
	Rachel Paget	Head of Finance
	Cassie Bennett	Head of People (Appointed 4 June 2024)
	Andy Stanney	Head of People (Resigned 26 January 2024)

Bankers

Santander
 Bridle Road
 Bootle
 L30 4GB

HSBC Bank plc
 6 Broad Street
 Worcester
 WR1 2EJ

Solicitors

Painters
29 Church Street
Kidderminster
CY10 2AU

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON
EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Our objectives

To provide clinical, emotional, and spiritual care with practical support for people, their families, carers and the wider community who may be affected by serious and life-limiting illness within Worcestershire and the surrounding areas, are contained in full within our Articles of Association and also reflected in our vision, mission and values as follows:

Our Vision

Compassionate care and support with dignity.

Our Mission

To provide free holistic palliative care and support to people living with a progressive life-limiting illness.
Providing support to adults, children and young people affected by bereavement.

Our Values



**We
Care**



**We are
Collaborative**



**We are
Innovative**



**We are
Inclusive**



**We have
Integrity**



**We are
Sustainable**

Our Activities

KEMP has been providing valuable care and support to people across the Wyre Forest, affected by a life-limiting illness, for 55 years. We give end-of-life care, counselling and emotional support free of charge to adults facing a life-limiting illness, their families, and carers for as long they need it. We're by their side in our day hospice, in their home or virtually, as they face some of their toughest times.

KEMP's specialist support and person-centred care is for everyone, no matter their life-limiting condition: cancer, organ failure, motor neurone disease and others. Our team of caring professionals specialise in palliative nursing care, rehab / exercise and occupational therapy, wellbeing therapies and psychological support. From diagnosis to end of life, we help people live as well as possible at every stage of their journey.

Our bereavement service is here for adults, children, and young people across the Wyre Forest area, even when the death of a loved one isn't linked to a life-limiting illness. Our bereavement counselling helps people cope with their grief by giving them an outlet to talk openly about their feelings and time and space to process their emotions.

Provided by a team of dedicated staff and volunteers all our support is free to access and with our hospice users facing a wide range of life limiting illnesses and conditions, we place great importance on taking a holistic view of patient care to deliver everything in response to the specific needs of an individual and their family.

Our services include:

- ✿ *The Wyre Forest's only specialist, nurse-supported Day Hospice* – combining clinical care with a wide range of therapies to support patients' physical and emotional wellbeing, including complementary therapies and creative arts provision, offered to patients attending Day Hospice, in outpatient groups, and through outreach into patients' homes;
- ✿ *Support services provided in the home* – including occupational therapy assessment, advice, and provision of equipment to enable independence and support, alongside an exercise and wellbeing practitioner who can offer support via Zoom and tailored exercise plans for patients at home;
- ✿ *A Family / Carers program and monthly drop-in sessions* – featuring a program delivered by the multidisciplinary team (MDT) with practical advice, skills training, and a focus on the wellbeing of families and carers;
- ✿ *Virtual support (provided online)* for patients where there is an identified need, and face-to-face support is either not appropriate or accessible;
- ✿ *Family Support & Bereavement Services* – offering counselling and emotional support for adults affected by a life limiting illness or bereavement, including bereavement groups. Our trained counsellors support children and young people affected by bereavement or a family member's life limiting illness through the therapeutic use of Minecraft, providing a safe space to share feelings, manage their grief and counsellors support individuals by giving them a safe place to share their feelings, manage their grief and help build a future life.
- ✿ *Finance and Welfare* – offering advice, information and representation with regard to a range of issues, including: benefits, housing, employment, debt, digital legacy, applications for grants, and support for service users and carers;
- ✿ *Pastoral / Spiritual Care* – we support all needs holistically and link with local pastoral/spiritual provision to support service users;
- ✿ *Care Home Support* – providing specialist palliative care expertise to care homes and professionals.

Collaborative working and provision

We are pleased to highlight our robust collaboration with the Community Specialist Palliative Care Team and the Wyre Forest Consultant in Palliative Medicine, aimed at ensuring the delivery of streamlined and comprehensive patient care. In addition, our support includes an NHS heart failure clinic and an NHS Lymphoedema Outpatient Clinic. We extend our services through home visits for patients unable to attend our hospice building.

Throughout 2023-2024, KEMP Hospice has continued to cultivate and enhance partnerships with health and social care professionals in primary and secondary care sectors. Significant progress has been made in strengthening relationships with Long-Term Condition Teams, Specialist Nurses, Learning Disability Nurses, Community Specialists, and educational institutions. These collaborations are pivotal in enriching the scope and quality of care available to our community.

Achievements and performance 2023-24

The past year at KEMP Hospice has been marked by intense activity, significant progress, and ongoing challenges, particularly in recruitment. The rising complexity and demand for our services have pushed us to innovate and adapt continuously. In 2023-2024, we successfully expanded and diversified our activities, demonstrating our commitment to providing exceptional care and support to our community. During this period, we launched new initiatives to enhance the quality and accessibility of our services. These included specialised care programs tailored to various patient needs, the integration of advanced technology to improve service delivery, and strengthened community outreach. Our team worked tirelessly to ensure that every individual under our care received the highest standard of support, despite challenges posed by increasing service demands and workforce shortages.

Service provision

Our multidisciplinary team includes a nursing team, an exercise and wellbeing practitioner, an occupational therapist with a rehabilitation assistant, a creative artist, complementary therapists, counsellors, a social worker, and a befriending service coordinator. This collaborative approach is delivered through personalised one-to-one appointments, group sessions, and virtual consultations, providing accessible and flexible support for patients, families, carers, and those affected by bereavement alike.

Beyond our hospice facilities, KEMP Hospice extends its expertise to support 44 care homes across the Wyre Forest District. Through tailored support, advice, education, and training, we advocate for residents' wishes and preferences for care around end of life, ensuring their choices are respected and honoured.

At KEMP Hospice, we maintain the highest standards of care and service quality, guided by our commitment to enhance the quality of life for our patients and to provide unwavering support to their families, carers, and those affected by bereavement through every stage of their journey.

Family & Patient Support Services

Our bereavement team of specialist counsellors and trained volunteers support anyone who is facing or who has experienced a bereavement or loss in the last 5 years. Our services are available to children from the age of 5, young people and adults, through one-to-one counselling and group support. Bereavement clients can be seen at the hospice, at school and in people's homes. Our young people's service offers therapeutic support including using arts, crafting, play and talking to enable young people to explore their emotions as well as regular memory days throughout the year.

Activity 2023-24**Care Services Referrals & Activity**

Care Service Stats 23-24	
New Referrals Care Services 2023-2024	162
Patient Day Attendances to Hospice Total for 23-24	1,030
Total Monthly Average Care Services Contacts	502
% of Case load with completed ReSPECT Document	80%
Care Services Average Monthly Total Case load	114
Annual Average Care Services Contacts	6024

Care Services saw a significant increase during 2023-2024, with referrals rising by 47%, from 110 to 162. This growth was driven by initiatives aimed at enhancing both onsite care and expanding outreach into the community. Key factors contributing to this expansion include the availability of a wider range of services, strengthened community engagement efforts, and ongoing staff development to better address the diverse needs of service users.

Notably, the nursing team underwent expansion and increased specialisation during this period, further enhancing the quality and breadth of onsite care and support provided.

The dedicated multi-disciplinary team, comprised of nurses, exercise and well-being practitioner, occupational therapist and assistant, creative arts therapist, played a crucial role in delivering specialised care to patients and their families.

Family Support & Bereavement Services Referrals & Activity

We received 262 referrals (335 2022-23) for support for bereaved adults and 294 (153 2022-23) for children and young people. We have had a total of 8,178 contacts with clients. Contacts are sessions which are delivered either by phone, face to face or virtual.

During 2023-24, the Family Support & Bereavement Service made significant strides in client support and waiting list management. Self-referrals remained the primary source, encompassing clients referred directly or through GP surgeries. Formal GP referrals followed as the second largest referral source, while referrals from Social Prescribers and Schools also increased notably, especially for Children and Young Persons. In response to rising demand and to enhance service efficiency, the service implemented changes in referral processes, resulting in prompt assessments and

Adults Support & Bereavement Service Contacts	
Adult Referrals	262
Face to Face Counselling sessions	1014
Telephone & Virtual Counselling sessions	301
Volunteer Counselling sessions	21
Counsellor in Training Sessions	229
CYP Support & Bereavement Contacts	
Children & Young People Referrals	112
Face to Face Total including 361 seen in schools	688
Memory Days	15
Total Adult & CYP Contacts	8178

quicker access to support resources. This improvement facilitated early risk assessment and safeguarding measures, crucial for effective client care.

Key achievements include substantial reductions in waiting times with bereavement support for Children and Young People reduced to approximately 3.5 months marking a 63% decrease from the initial 9-10 months; adult bereavement support decreased to 7 months from 9 months, representing a 22% reduction in waiting times.

Additional Key Highlights / Developments in Services 2023-24

✈ Our current rating is Good. We have not been inspected by the Care Quality Commission (CQC) in 2023-24. The latest update on the CQC website is as follows: We reviewed the information and data available to us about KEMP Hospice on 8 June 2023. We have not found evidence that we need to reassess the rating at this stage. We will continue to monitor information about this service.

✈ EMIS electronic notes went live for the Family Support and Bereavement Team. This has been designed for our specialist needs to enable comprehensive assessments, documentation and reporting which will enable evidencing and enhanced reporting of our impact and care.

✈ **Minecraft – using therapeutically with Children and Young People.** KEMP Hospice Is the first Hospice in the UK to use Minecraft as part of its therapeutic approach for children and young people receiving pre- and post-bereavement support. This innovative method shows broader potential, including supporting clients with autism spectrum disorders, learning disabilities, and young adults. Minecraft provides a flexible and engaging environment, by embracing digital therapy we can meet the unique needs of CYP in ways that traditional counselling may not provide them. It has garnered positive feedback from CYP, parents, and schools. The virtual environment encourages CYP to express themselves more freely, fostering stronger connections with counsellors and gaining valuable insights into their world. This method has been particularly effective in engaging boys and younger teens who often find traditional therapy less appealing. The personalised notebooks serve as a tangible reminder of the therapeutic journey and support ongoing discussions beyond formal sessions.

Robinson, E. (2023, April 10). *Minecraft as a Counselling Tool: Building Bridges to Children's Mental Health*. Minecraft Education Blog. <https://education.minecraft.net/en-us/blog/kemp-hospice>

What Our Patients, Clients and Professionals say About Us

At KEMP we value the feedback we receive from the people who receive our support, their families, and carers. This helps us to always be assessing and reviewing our work, ensuring that we are improving the quality of care we provide.

Family Support & Bereavement Service

I was able to discuss my feelings with the counsellor that I would not have felt happy talking about with my family. Also to be reassured that these feelings were a normal part of grief. Has been absolutely amazing and helped me to deal with my emotions regarding the loss of my partner and other issues that have happened in my past. Without her guidance I wouldn't be in the peace I am today. I feel happier. Stronger and more in control Has helped me on the path to becoming myself again following the loss of my mom. Her guidance and kindness has changed my future for the better and I will never forget this life changing

Helens Story KEMP Hospice: Helens Story

Finance & Welfare *To all that work for KEMP Hospice, upstairs and downstairs. We wish to thank you for all the care you've given us - welfare, health and finances, things we couldn't do on our own. From the bottom of our hearts, thank you.*

Befriending

I really look forward to her coming to see me. I don't see many people, so it's lovely to be able to have a good chat.

From Befriender – *It is lovely to hear stories about their childhood and how the war impacted their everyday life...*

Outreaching into Care Homes *Talking helped me to get things into perspective and make the choices that will ensure my mum gets the support and care she needs. Thank you so much.*

Care Services *"Rewarding excellence in facilitating student learning" Just a note to say thank you for all your assistance with the supervision and assessment of student nurses. Your team has been ascertained via student evaluations as an outstanding unit when it comes to supporting students.*

Very difficult to offer anything to enhance, the levels of care, friendship and/or the professional care and support from all staff at the Hospice.

Variety of opportunities, arts, crafts, exercise. It's always a good day at KEMP. I have a very painful arm. The treatment I receive gives me relief and comfort by relieving the tensions and pain.

Carers Support

Meeting up with other carers was particularly helpful as was learning about the benefits available. Nice to be a part of the group, talking helps. Keep the sessions going!

Extremely helpful speaking to others with the same problems. Learning about the way KEMP work to support people. Enough time is given to discuss the different situations that come with caring. It's good that in our group we have people that are caring and have cared and come along that journey.

Generation of Income

- ✈ KEMP Hospice has a varied portfolio of fundraising initiatives. This ensures that supporters have a wide range of ways in which to engage with the charity and minimises the risk of becoming dependent on any one fundraising activity.
- ✈ KEMP Hospice is registered with the Fundraising Regulator. We adhere to and maintain the standards set out by the regulator, ensuring our fundraising is legal, open, honest, and respectful to the public. Furthermore, we are committed to adhering to the Institute of Fundraising Code of Fundraising Practice and the specific guidance on treating donors fairly (through Respect, Fairness, Accountable, Responsive) in all our fundraising activities, ensuring that we protect vulnerable people. We received no complaints in relation to our fundraising activities during the year.

For the year ended 31 March 2024

- ✚ We are fortunate to have strong community support and benefit from a number of third-party events. Our dedicated Community & Events Fundraiser and wider fundraising team supports all events we are aware of, and ensures regulations are being adhered to.
- ✚ We are part of Your Hospice Lottery, which is owned and administered by St Helena Hospice and specifically operates to raise funds for hospice care. Canvassers are employed by Your Hospice Lottery but engage with KEMP as part of their induction. These fundraisers engage with the public at external venues, events, and by carrying out door to door activity. They are not permitted to carry out these activities without identification, are highly trained, and never collect or accept money. Neither do they pursue individuals who have made it clear they do not wish to engage.
- ✚ We have a Donations Centre in Kidderminster and operate 6 retail charity shops across Kidderminster, Stourport and Bewdley as well as our own online eBay shop.

Sincere Thanks

The flexible approach and dedication to ensuring the people who need our services continued to be cared for and supported throughout this year would not have been possible without the dedication of our hardworking staff along with the very many willing volunteers who give freely of their time and talents and we would like to take this opportunity to thank them all for their efforts.

At the end of the financial year, we are fortunate to have an incredible 201 (2023: 190) individuals volunteering their time across our charity within Retail; Fundraising; Finance; Care and Bereavement Services; and on our Board of Trustees. In total an incredible 26,828 hours of time, commitment, hard work and skills were shared to help us in delivering our work.

Financial review

Our total income for the year was £1,918,565 (2023: £1,744,211) with a net loss of £44,509 (2023: £50,245). All our income is used to support in the delivery of services to our patients and clients.

Income

We received annual funding in the form of a grant agreement from Herefordshire and Worcestershire Integrated Care System totalling £298,253 (2023: £292,980).

There are some notable achievements for our income within this financial year, despite the continuing challenges due to the economic uncertainties.

- ✚ We are delighted to report an income of £750,493 (2023: £737,848) from our charity shops for 2023-24.
- ✚ Our gift aid income, £75,108 (2022-23: £62,361) has significantly increased compared to last year.
- ✚ Fundraising income totalled £142,634 (2022-23: £116,875), a substantial growth compared to last year.

Our thanks go to the Trustees of KEMP House Trust, who supported us in this financial year with funding of £351,000 towards us continuing to provide our vital services.

We are also grateful to the following Trusts and Foundations for their support:

- | | |
|---|------------------------------------|
| ✿ The Mid-Counties Co-op | ✿ The J A Gillett Charitable Trust |
| ✿ EG Foundation | ✿ The Heathcock Charitable Trust |
| ✿ Francis Winham Foundation | ✿ The DMF Ellis Charitable Trust |
| ✿ Albright Grimley Charity | ✿ Baron Davenport's Charity |
| ✿ The Burford Trust | ✿ The Eveson Charitable Trust |
| ✿ Albert Hunt Trust | ✿ The Roger & Douglas Turner Trust |
| ✿ Eric W Vincent | ✿ Lillie Johnson Charitable Trust |
| ✿ Stone Parochial Charities | ✿ GJW Turner Trust |
| ✿ the Michael & Anna Wix Charitable Trust | ✿ The Charity of Stella Symons |
| ✿ The Blakemore Foundation | ✿ Laslett's Charities |
| ✿ Michael Marsh Charitable Trust | ✿ Worcestershire County Council |
| ✿ Brian Shaw Memorial Trust | ✿ The Ardwick Trust |

Expenditure

Our total expenditure in 2023-24 was £1,918,565 (2023: £1,693,966) and contribution split can be seen below.

Our fundraising and retail expenditure directly supports our income generation for the charity, and this was increased in this financial year at £1,007,585 (2023: £915,598) which reflects the increase in salary and utility costs.

Total funds held at the end of the financial year were £2,643,614 (2023: £2,688,123), of which £549,409 (2023: £567,600) is restricted to support several ongoing services, as well as the fixed assets which are essential for our charitable activities.

Risk Management

We have a risk policy and register to enable the identification, monitoring and management of controls to mitigate risks. The Senior Team and Board of Trustees consider risks on a quarterly basis.

The key strategic risks are:

- ✿ **Failure to raise the required funds to deliver our services.** We have skilled and experienced staff and trustees in key roles. As well as quarterly income and financial scrutiny, our income and expenditure is reviewed on a monthly basis and any variances against budget are reviewed. We also have a comprehensive fundraising strategy.
- ✿ **Changing social attitudes may reduce the pool of people who will enable us to fulfil our planned recruitment of volunteers.** We mitigate this risk by nurturing relationships with organisations and individuals who can support us in facilitating recruitment of potential volunteers, as well as exploring ways to taking a collaborative approach to volunteer attraction and recruitment with other hospices and charities.
- ✿ **Competing with Agenda for Change pay and reward packages could affect our recruitment of health and social care colleagues.** As well as an emphasis on communicating our culture and carrying out regular benchmarking activities, we are committed to building on strong recruitment and employment foundations to ensure people who work with us are engaged and valued.

- ✚ **Changes in government/Integrated Care Board funding and commissioning strategy.** We maintain effective, open relationships with our commissioners and ensure all reporting requirements are met.
- ✚ **Failure to comply with safeguarding requirements.** We ensure all relevant roles undertake mandatory safeguarding training, and the board of trustees and management team ensure that processes and procedures are up to date and relevant.

Risk and Compliance

As a company and charity providing regulated and commissioned services, we follow codes of ethics and practice in our services and fundraising activities; we take our regulatory responsibilities seriously and work to protect our reputation and credibility as a professional organisation.

- ✚ We are thankful that we had no reportable incidents throughout the financial year. This applies to the Fundraising Regulator, CQC, ICO and Charity Commission.
- ✚ We had no CQC visit in this financial year.
- ✚ We continue to review all clinical policies and procedures, as well as ensuring a focus on the CQC Key Lines of Enquiry.
- ✚ All mandatory training has been carried out in line with our plans for the year and we have reviewed and updated our mandatory training matrix as part of the People policies review.
- ✚ We continue to enjoy open and supportive relationships and provide extensive reports to our Integrated Care Board Quality and Contract officers.

Reserves policy and going concern

The trustees have examined the charity's requirements for reserves considering the main risks as listed above to the organisation, including assessed projected future income, expenditure and cashflows.

The Trustees believe the Charity's financial resources and contingency planning is sufficient to ensure the continuation of the Charity as a going concern for the foreseeable future. Consequently, the financial statements have been prepared on this basis.

A reserves policy is established to ensure the Charity has the financial capacity needed to safeguard the provision of vital services to patients and carers from the adverse financial effects of significant and unforeseen changes in income and expenditure.

The boards target policy for available reserves are that the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least 6 months and no more than 18 months of anticipated expenditure. Based on the latest set of accounts, this should be between £846k and £2,540k. The Charity is a going concern, and the Board of Trustees fully intend to see this continue long into the future. Should this not be possible, available reserves would assist the Charity in honouring its commitments to patients and carers, employees, supporters and creditors as it scales back operations.

At the end of the financial year unrestricted reserves for the Charity were £1,712,352 (2023: £1,704,457), which is 12 months of the anticipated expenditure and representative of the desired reserves position.

Available reserves are calculated in accordance with the Charity Commission guidance as follows:

	£
Total Reserves	2,643,614
Less	
Restricted Reserves	(549,409)
Designated funds – Strategic Fund	(381,854)
Available unrestricted reserves	1,712,352

The board manages financial risks, such as income or cost fluctuation by regularly reviewing our financial plans and income pipelines.

Plans for the future

As we enter the last year of KEMP's current 5-year strategy we will begin to focus on creating a new strategy for the organisation which will focus on the future needs of the growing population in the Wyre Forest.

Structure, Governance and Management

KEMP Hospice is a charitable company limited by guarantee, incorporated on 14 November 2011 and registered as a charity on 9 March 2012.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The company name was changed from KEMP House Trust Ltd to KEMP Hospice by resolution on 30th September 2022 and certified by Companies House on 13th October 2022.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Our Group Structure

The group comprises the Trust and its wholly owned subsidiary KEMP House Trust (Hospice Shop) Limited. The group produces consolidated accounts that include the result of both entities.

KEMP House Trust (Hospice Shop) Limited is a wholly owned trading subsidiary. Its purpose is to generate income to support the Charity's objectives by selling donated and new goods at a profit in a network of shops. The trading company acts as the Trust's agent for an HMRC approved Gift Aid scheme for donated goods. It transfers profits to the Charity using the HMRC Gift Aid scheme for corporate donations. Its results are set out in note 12 of these financial statements.

The Board of Trustees

KEMP Hospice trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people

that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

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

The trustees agree the strategic direction of the charity through the preparation and monitoring of a 5-year strategy. To support delivery of the strategy, an operational business plan and budget is developed annually, approved, and reviewed by the trustees. Our full strategy can be viewed by visiting our website: www.kemphospice.org.uk

Progress towards achieving objectives is monitored and reviewed through the respective sub-committee which are focussed on Hospice Services, Finance, Resources and Risk, and Income Generation, and at full Board meetings of the trustees. Monthly management accounts and quarterly reports by the Chief Executive and departmental managers are provided.

Day-to-day responsibility for the management of the charity is delegated to a senior leadership team of six, comprising: Chief Executive Officer, Caroline Beech; Head of Finance, Rachel Paget; Head of Fundraising & Communications, Jayne Sargeant; Head of Hospice Services, Laurey Grennall; Head of People, Cassie Bennett and Head of Retail, Gary Barnes. The senior leadership team meet monthly to discuss both strategic and operational matters.

The trustees consider that they have complied with their duty in Section 17(5) of the Charities Act 2011 and have referred to the guidance provided by the Charity Commission on public benefit when reviewing the charity's aims and objectives.

The Board of Trustees have embraced the Charity Governance Code, carrying out a self-assessment and have identified two key areas of focus: how the charity can demonstrate not only our financial/economic sustainability, but also our ecological and environmental impact in all our operations and how the organisation can embed Equality, Diversity and Inclusion within our culture and across all operations, including within the Board itself.

Appointment of trustees

KEMP Hospice recruit trustees based on several factors including, but not limited to, the need for a particular skill, a mix of backgrounds, experiences and considering a range of dynamics. The charity utilises social media to promote trustee vacancies, as well as charity and individual networks. A comprehensive structured recruitment process includes formal interview, time spent with a range of the charity personnel, and attendance at two Board meetings. The existing trustees then vote to appoint.

Within this financial year the Board appointed Mrs Ruth Mayall as a trustee.

The following committees remain unchanged throughout the year; MAGIC (Marketing and Generation of Income Committee), Finance, Resource and Risk Committee, and Hospice Services Committee.

Trustees must complete mandatory training which includes safeguarding; data security awareness; equality, diversity and human rights; and health and safety.

None of the trustees are remunerated.

Related parties and relationships with other organisations

KEMP House Trust is a separate registered charity (charity no. 511141), governed by a Trust Deed, which manages an investment portfolio and whose principal objective is to support the activities of KEMP Hospice, on provision of detailed application which demonstrates the benefits to the beneficiaries of the hospice services.

During the year ending March 2024 there were four trustees, who meet quarterly and manage and oversee the investment portfolio with the professional advice of Investec Wealth and Investment Ltd. who meet with the trustees twice a year and provide regular written reports to the board.

KEMP House Trust (Hospice Shop Ltd): The Trading Company is a wholly owned subsidiary of the Hospice. There were two directors serving during the year who have accountability for retail activities. The Hospice Chief Executive has ultimate responsibility for the management of the Hospice and Trading Company. Both of the current directors are hospice Trustees. The Head of Retail and Head of Finance attend the Board meetings, which are held quarterly.

Statement of responsibilities of the trustees

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

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

- ✦ Select suitable accounting policies and then apply them consistently
- ✦ Observe the methods and principles in the Charities SORP
- ✦ Make judgements and estimates that are reasonable and prudent
- ✦ State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- ✦ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for

For the year ended 31 March 2024

safeguarding the assets of the charitable company and group 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 auditor is unaware
- ✚ 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 auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2024 was 7 (2023: 8). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 4th December 2024
and signed on their behalf by

Geoff Taylor-Smith
Chair

Independent auditor's report

To the members of

KEMP Hospice

Opinion

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

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance and income committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

KEMP Hospice

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

KEMP Hospice

Use of our report

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

Fleur Holden (Senior statutory auditor)

18 December 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

KEMP Hospice
Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations and legacies	2	698,001	39,680	737,681	601,647	22,230	623,877
Charitable activities							
Hospice services	3	309,328	–	309,328	307,824		307,824
Education income	3	764	–	764	2,456	–	2,456
Other trading activities							
Charity shop income		750,493	–	750,493	737,848	–	737,848
Management charges		3,000	–	3,000	3,000	–	3,000
Lottery income		51,158	–	51,158	55,052	–	55,052
Investments		66,141	–	66,141	14,154	–	14,154
Total income		1,878,885	39,680	1,918,565	1,721,981	22,230	1,744,211
Expenditure on:							
Raising funds	5						
Fundraising costs		372,169	–	372,169	337,725	–	337,725
Charity shop costs		635,416	–	635,416	577,873	–	577,873
Charitable activities							
Hospice services	5	897,618	57,871	955,489	725,589	52,244	777,833
Tax payable by subsidiaries	12	–	–	–	535	–	535
Total expenditure		1,905,203	57,871	1,963,074	1,641,723	52,244	1,693,966
Net income / (expenditure) for the year	6	(26,318)	(18,191)	(44,509)	80,259	(30,014)	50,245
Transfers between funds		–	–	–	–	–	–
Net movement in funds		(26,318)	(18,191)	(44,509)	80,259	(30,014)	50,245
Reconciliation of funds:							
Total funds brought forward		2,120,523	567,600	2,688,123	2,040,264	597,614	2,637,878
Total funds carried forward		2,094,205	549,409	2,643,614	2,120,523	567,600	2,688,123

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19a to the financial statements.

KEMP Hospice

Balance sheets

Company no. 07846810

As at 31 March 2024

		The group		The charity	
	Note	2024	2023	2024	2023
		£	£	£	£
Fixed assets:					
Tangible assets	11	640,445	660,643	636,069	648,002
Investments	12	–	–	5,002	5,002
		<u>640,445</u>	<u>660,643</u>	<u>641,071</u>	<u>653,004</u>
Current assets:					
Stock	14	1,441	2,361	–	–
Debtors	15	541,594	563,126	992,241	1,219,424
Cash at bank and in hand		1,677,024	1,640,960	1,154,743	923,176
		<u>2,220,059</u>	<u>2,206,447</u>	<u>2,146,984</u>	<u>2,142,600</u>
Liabilities:					
Creditors: amounts falling due within one year	16	(186,990)	(149,067)	(162,933)	(133,255)
		<u>2,033,069</u>	<u>2,057,380</u>	<u>1,984,051</u>	<u>2,009,345</u>
Net current assets		<u>2,033,069</u>	<u>2,057,380</u>	<u>1,984,051</u>	<u>2,009,345</u>
Total assets less current liabilities		<u>2,673,514</u>	<u>2,718,023</u>	<u>2,625,122</u>	<u>2,662,349</u>
Provision for liabilities	17	(29,900)	(29,900)	(6,000)	(6,000)
		<u>2,643,614</u>	<u>2,688,123</u>	<u>2,619,122</u>	<u>2,656,349</u>
Total net assets		<u>2,643,614</u>	<u>2,688,123</u>	<u>2,619,122</u>	<u>2,656,349</u>
Funds:	18a				
Restricted income funds		549,409	567,600	549,409	567,600
Unrestricted income funds:					
Designated funds		381,854	416,067	381,854	416,067
General funds		1,712,352	1,704,456	1,687,860	1,672,682
		<u>2,643,614</u>	<u>2,688,123</u>	<u>2,619,122</u>	<u>2,656,349</u>
Total funds		<u>2,643,614</u>	<u>2,688,123</u>	<u>2,619,122</u>	<u>2,656,349</u>

Approved by the trustees on 4th December 2024 and signed on their behalf by

Geoff Taylor-Smith
Chair

Janet Rowe
Trustee

Consolidated statement of cash flows

For the year ended 31 March 2024

	Note	2024	2023
		£	£
Cash flows from operating activities			
Net (expenditure) / income for the reporting period (as per the statement of financial activities)		(44,509)	50,245
Depreciation charges		51,616	43,913
Loss on disposal of fixed assets		–	238
Interest from investments		(66,141)	(14,154)
Decrease / (increase) in stocks		920	(2,335)
Decrease in debtors		21,532	192,709
Increase / (decrease) in creditors		37,923	(51,515)
Increase in provisions		–	29,900
Net cash provided by operating activities		1,341	249,001
Cash flows from investing activities:			
Interest received		66,141	14,154
Purchase of fixed assets		(31,418)	(14,894)
Net cash provided by / (used in) investing activities		34,723	(740)
Change in cash and cash equivalents in the year		36,064	248,261
Cash and cash equivalents at the beginning of the year		1,640,960	1,392,699
Cash and cash equivalents at the end of the year		1,677,024	1,640,960

Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,640,960	36,064	1,677,024
Total cash and cash equivalents	1,640,960	36,064	1,677,024

1 Accounting policies

a) Statutory information

KEMP Hospice is a charitable company limited by guarantee and is incorporated in England and Wales. KEMP Hospice changed its name from KEMP House Trust Limited by resolution on 30th September 2022.

The registered office address is 41 Mason Road, Kidderminster, Worcestershire, DY11 6AG.

b) Basis of preparation

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

These financial statements consolidate the results of the charity and its wholly-owned subsidiary KEMP House Trust (Hospice Shop) Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as a summary of the result for the year is disclosed in the notes to the accounts.

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

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

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

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Further information in relation to the trustees' appraisal of going concern is included in the trustees' annual report.

There are no key judgements that the charity has made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period

In 2022, the directors approved the decision to liquidate the trading company as the premises leases and trading activity would be transferred to the parent company, KEMP Hospice. The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur, they plan to keep this company open for other trading purposes.

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

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

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

g) Interest receivable

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

h) Fund accounting

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

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

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

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, grants and legacies and costs of trading activities including the costs of goods sold, shop costs and their associated support costs
- Expenditure on charitable activities includes the costs of providing specialist palliative care and support and the costs of community services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

j) Allocation of support costs

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the hospice's charitable, income generating and governance activities to be undertaken. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of raising funds	34%
● Hospice services	66%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

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

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

● Leasehold land & buildings Leasehold	4% straight line and 99 years
● property improvements Motor	5 years
● vehicles	4 years
● Office equipment	3 years
● Furniture & equipment	3 years

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Pensions

Pension contributions to the group personal pension plan are charged against income when payable.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
General donations	9,818	–	9,818	12,935	–	12,935
Gift aid	75,108	–	75,108	62,361	–	62,361
In memoriam	36,044	–	36,044	30,974	–	30,974
Grants from KEMP House Trust	351,000	–	351,000	50,000	–	50,000
Other charitable trusts	41,600	39,680	81,280	62,500	22,230	84,730
Legacies	17,200	–	17,200	243,539	–	243,539
Corporate income	24,597	–	24,597	22,463	–	22,463
Fundraising income	142,634	–	142,634	116,875	–	116,875
	698,001	39,680	737,681	601,647	22,230	623,877

Fundraising income includes events, raffle, community fundraising and donations.

3 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
CCG grant	298,253	–	298,253	292,980	–	292,980
Hospice UK Income	–	–	–	–	–	–
Other income	11,075	–	11,075	14,844	–	14,844
Sub-total for Hospice services	309,328	–	309,328	307,824	–	307,824
Education income	764	–	764	2,456	–	2,456
Sub-total for Education	764	–	764	2,456	–	2,456
Total income from charitable activities	310,092	–	310,092	310,280	–	310,280

Education income is for medical student palliative care placements.

KEMP Hospice

Notes to the financial statements

For the year ended 31 March 2024

5a Analysis of expenditure (current year)

			Charitable activities				
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 7)	121,932	380,568	528,663	-	298,567	1,329,730	1,089,516
Fundraising costs	41,421	-	-	-	-	41,421	35,174
Hospice events	10,813	-	-	-	-	10,813	8,627
Hospice care	-	-	44,576	-	-	44,576	42,879
Community fundraising	4,249	-	-	-	-	4,249	3,188
Corporate costs	3,239	-	-	-	-	3,239	18,020
Spiritual care	-	-	-	-	-	-	-
Volunteer costs	-	-	-	-	337	337	200
Catering	-	-	9,394	-	-	9,394	6,278
ACP costs	-	-	-	-	-	-	856
Running costs	-	254,848	-	-	-	254,848	263,630
Comms and marketing	-	-	-	-	40,810	40,810	14,964
Operations	-	-	-	85	28,315	28,400	23,443
Building costs	-	-	-	-	103,403	103,403	106,448
IT costs	7,753	-	406	-	36,243	44,402	41,181
Training	720	-	8,365	613	5,848	15,546	6,744
Professional fees	-	-	-	-	11,946	11,946	16,137
Audit fee	-	-	-	19,960	-	19,960	16,680
	190,127	635,416	591,404	20,658	525,469	1,963,074	1,693,965
Support costs	175,156	-	350,313	-	(525,469)	-	-
Governance costs	6,886	-	13,772	(20,658)	-	-	-
Total expenditure 2024	372,169	635,416	955,489	-	-	1,963,074	
Total expenditure 2023	337,725	578,408	777,833	-	-		1,693,965

KEMP Hospice

Notes to the financial statements

For the year ended 31 March 2024

5b Analysis of expenditure (prior year)

			Charitable activities			
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 7)	110,711	314,778	411,203	-	252,824	1,089,516
Fundraising costs	35,174	-	-	-	-	35,174
Hospice events	8,627	-	-	-	-	8,627
Hospice care	-	-	42,879	-	-	42,879
Community fundraising	3,188	-	-	-	-	3,188
Corporate costs	18,020	-	-	-	-	18,020
Spiritual care	-	-	-	-	-	-
Volunteer costs	-	-	148	-	52	200
Catering	-	-	6,278	-	-	6,278
ACP costs	-	-	856	-	-	856
Running costs	-	263,630	-	-	-	263,630
Comms and marketing	-	-	-	-	14,964	14,964
Operations	-	-	-	600	22,843	23,443
Building costs	-	-	-	-	106,448	106,448
IT costs	8,068	-	-	-	33,114	41,181
Training	1,235	-	3,664	250	1,595	6,744
Professional fees	-	-	7,400	-	8,737	16,137
Audit fee	-	-	-	16,680	-	16,680
	185,023	578,408	472,428	17,530	440,577	1,693,965
Support costs	146,859	-	293,718	-	(440,577)	-
Governance costs	5,843	-	11,687	(17,530)	-	-
Total expenditure 2023	337,725	578,408	777,833	-	-	1,693,965

Notes to the financial statements

For the year ended 31 March 2024

6 Net income / (expenditure) for the year

This is stated after charging:

	2024 £	2023 £
Depreciation	51,616	43,913
Loss on disposal of fixed assets	–	238
Operating lease rentals:		
Property	94,033	98,666
Equipment	1,512	473
Auditor's remuneration (excluding VAT):		
Audit of parent charity	11,150	10,900
Audit of subsidiary	3,750	3,000
Other services	1,750	1,750
	<u>1,329,730</u>	<u>1,089,516</u>

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

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	1,202,953	986,500
Social security costs	85,476	79,161
Employer's contribution to defined contribution pension schemes	41,301	23,855
	<u>1,329,730</u>	<u>1,089,516</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £319,471 (2023: £280,061).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

No charity trustee received expenses for the payment or reimbursement of travel and subsistence costs (2023: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 60 (2023: 52).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2024 No.	2023 No.
Raising funds	4.7	4.6
Management and administration	4.8	3.3
Retail	14.7	14.5
Support	17.4	16.4
Governance	0.5	0.5
	<u>42.1</u>	<u>39.3</u>

9 Related party transactions

During the financial year ended 31 March 2024, KEMP House Trust (Hospice Shop) Ltd made sales of donated goods on behalf of the hospice to the value of £278,667 (2023: £263,353). KEMP House Trust (Hospice Shop) Ltd paid management recharges to the hospice of £240,774 (2023: £195,780).

At 31 March 2024 KEMP House Trust (Hospice Shop) Ltd owed KEMP Hospice £625,203 (2023: £779,685).

KEMP Hospice received grants of £351,000 within the year in addition to the prior year amount of £50,000 (2023: £435,099) from KEMP House Trust, of which £281,941 (2023: £226,099) was outstanding at year end.

Aggregate donations from related parties were £845 (2023: £745).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary KEMP House Trust (Hospice Shop) Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2024 £	2023 £
UK corporation tax at 19%	-	-

11 Tangible fixed assets

The group	Leasehold buildings £	Leasehold improvements £	Motor vehicles £	Office equipment £	Furniture and equipment £	Total £
Cost						
At the start of the year	815,755	26,080	22,120	113,924	124,385	1,102,264
Additions in year	-	-	-	25,035	6,383	31,418
Disposals in year	-	-	-	-	-	-
At the end of the year	815,755	26,080	22,120	138,959	130,768	1,133,682
Depreciation						
At the start of the year	189,058	26,080	19,495	98,715	108,274	441,621
Charge for the year	20,367	-	2,625	14,086	14,538	51,616
Eliminated on disposal	-	-	-	-	-	-
At the end of the year	209,425	26,080	22,120	112,801	122,812	493,237
Net book value						
At the end of the year	606,330	-	-	26,158	7,956	640,445
At the start of the year	626,697		2,625	15,209	16,111	660,643

Notes to the financial statements

For the year ended 31 March 2024

11 Tangible fixed assets continued				
The Charity	Leasehold buildings £	Office equipment £	Furniture and equipment £	Total £
Cost				
At the start of the year	815,755	107,839	89,589	1,013,183
Additions in year		25,035	3,138	28,173
Disposals in year	–	–	–	–
Transferred into the Charity	–	–	–	–
At the end of the year	815,755	132,874	92,727	1,041,356
Depreciation				
At the start of the year	189,058	95,224	80,899	365,181
Charge for the year	20,367	12,519	7,220	40,106
Disposals	–	–	–	–
At the end of the year	209,425	107,743	88,119	405,287
Net book value				
At the end of the year	606,330	25,131	4,608	636,069
At the start of the year	626,697	12,615	8,690	648,002

The above assets are used for the Group and Charity.

12 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of KEMP House Trust (Hospice Shop) Limited, a company registered in England. The company number is 02847086. The registered office address is 41 Mason Road, Kidderminster, DY11 6AG.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

In the prior year, the directors approved the decision to liquidate the company as the premises leases and trading activity would be transferred to charity. The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur. In 2023 and 2024, the salaries were paid by the Charity and recharged to the subsidiary as a management charge.

Phil Davison and Kate Collyer (appointed 13th July 2023) are also directors of the subsidiary.

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

	2024 £	2023 £
Turnover	474,613	474,370
Cost of sales	(2,885)	(2,348)
Gross profit	471,728	472,022
Administrative expenses	(263,426)	(252,993)
Management charge payable to parent undertaking	(240,774)	(195,780)
Loss on ordinary activities before interest and taxation	(32,472)	23,249
Interest receivable and similar income	25,726	8,524
Loss on ordinary activities before taxation	(6,746)	31,773
Taxation on profit on ordinary activities	–	(535)
Profit for the financial year	(6,746)	31,238
Retained earnings		
Total retained earnings brought forward	31,238	–
Profit for the financial year	(6,746)	31,238
Distribution under Gift Aid to parent charity	(996)	–
Total retained earnings carried forward	23,496	31,238
The aggregate of the assets, liabilities and reserves was:		
Assets	702,654	856,173
Liabilities	(674,156)	(819,933)
Reserves	28,498	36,240

Amounts owed to the parent undertaking are shown in note 16.

	2024 £	2023 £
Shares in group undertaking		
Cost at 1 April 2023 and 31 March 2024	5,002	5,002

The charity owns 100% of the share capital of KEMP House Trust (Hospice Shop) Limited.

Notes to the financial statements

For the year ended 31 March 2024

13 Parent charity

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

	2024 £	2023 £
Gross income	1,455,282	1,293,573
Result for the year	(37,227)	19,007

14 Stock

	The group 2024 £	2023 £	The charity 2024 £	2023 £
Bought goods	1,441	2,361	–	–
	1,441	2,361	–	–

15 Debtors

	The group 2024 £	2023 £	The charity 2024 £	2023 £
Trade debtors	22,693	91,683	22,693	91,683
Amounts due from subsidiary company	–	–	625,203	779,685
Amounts due from KEMP House Trust	283,407	257,693	281,941	256,998
VAT	160,588	111,755	–	–
Gift Aid	17,783	30,398	17,783	30,398
Prepayments and accrued income	57,123	71,597	44,621	60,660
	541,594	563,126	992,241	1,219,424

16 Creditors: amounts falling due within one year

	The group 2024 £	2023 £	The charity 2024 £	2023 £
Trade creditors	29,673	1,205	14,496	1,151
Taxation and social security	22,214	18,212	22,214	18,212
Pension Fund	6,895	4,676	6,895	4,676
VAT	77,877	74,615	77,877	74,615
Accruals and deferred income	50,331	50,359	41,451	34,601
	186,990	149,067	162,933	133,255

Notes to the financial statements

For the year ended 31 March 2024

17 Provision for liabilities

	The group 2024 £	2023 £	The charity 2024 £	2023 £
Dilapidations	29,900	29,900	6,000	6,000
	29,900	29,900	6,000	6,000

The movement in dilapidations provision in the year was:

	The group 2024 £	2023 £	The charity 2024 £	2023 £
At the start of the year	29,900	–	6,000	–
Additions	–	29,900	–	6,000
At the end of the year	29,900	29,900	6,000	6,000

Within the provision for liabilities is the dilapidation provision for the cost of repairs to a number of leasehold properties at the end of their leases. This value is re-assessed annually. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain.

18a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	101,260	539,185	–	640,445
Net current assets	1,611,092	10,224	381,854	2,003,169
Net assets at 31 March 2024	1,712,352	549,409	381,854	2,643,614

18b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	102,011	558,632	–	660,643
Net current assets	1,602,445	8,968	416,067	2,027,480
Net assets at 31 March 2023	1,704,456	567,600	416,067	2,688,122

KEMP Hospice

Notes to the financial statements

For the year ended 31 March 2024

19a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	238,680	–	(15,912)	–	222,768
Freehold property at Mason Road	319,952	–	(3,535)	–	316,417
BBC Children in Need	900	–	(900)	–	0
The Kildare Trust	8,068	–	(756)	–	7,312
Befriending	–	1,000	(1,000)	–	–
Triage Room refurbishment	–	5,680	(5,680)	–	–
Exercise and wellbeing refurbishment	–	8,000	(5,088)	–	2,912
Bereavement services	–	3,000	(3,000)	–	–
Care and support services	–	22,000	(22,000)	–	–
Total restricted funds	567,600	39,680	(57,871)	–	549,409
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	178,267	–	–	(178,267)	0
Refurbishment of hospice patient focussed rooms and general areas	105,800	–	–	(105,800)	–
Hospice kitchen & equipment	20,000	–	–	(20,000)	–
Wellbeing	4,000	–	(813)	(3,187)	–
Digital	48,000	–	(33,400)	(14,600)	–
Hospice roof and cellar	60,000	–	–	(60,000)	–
Strategic Fund	0	–	–	381,854	381,854
Total designated funds	416,067	–	(34,213)	–	381,854
General funds	1,704,456	1,878,885	(1,870,990)	–	1,712,351
Total unrestricted funds	2,120,523	1,878,885	(1,905,203)	–	2,094,205
Total funds	2,688,123	1,918,565	(1,963,073)	–	2,643,614

19a Movements in funds (current year) continued

Details of Restricted funds

KEMP in the Garden Building and Freehold Property at Mason Road – depreciation charged on buildings used to deliver our services.

BBC Children in Need – A project to deliver bereavement support to children and young people.

The Kildare Trust – funding to improve the garden at Mason Road.

Befriending – a grant to support the befriending service supported by The Eric W Vince Trust.

Triage Room refurbishment – project to provide an equipped clinical room in the Hospice supported by EG Foundation, The Francis Winham Foundation and The Grimley Charities.

Exercise and wellbeing refurbishment – project to provide an area for the provision of exercise and wellbeing activities supported by The Rowlands Trust and Roger & Douglas Turner Charitable Trust.

Bereavement Services – A grant to provide bereavement counselling for children and young people funded by The Laslett's Charities.

Care and support services – A grant to provide care services and support funded by The GJW Turner Trust and Eveson Charitable Trust.

Details of Designated Funds

Designated funds are funds which the trustees have set aside for the maintenance and improvement works to the hospice building, employee wellbeing and the development of our digital strategy. The Trustees have transferred all remaining designated funds at the year end into the new strategic fund.

Strategic Fund – This fund is held to support the objectivities identified in the strategy, including the development and completion of the new Hospice building, and to support care service or workforce development initiatives.

KEMP Hospice

Notes to the financial statements

For the year ended 31 March 2024

19b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	254,592	–	(15,912)	–	238,680
Freehold property at Mason Road	323,487	–	(3,535)	–	319,952
BBC Children in Need – Childrens Bereavement	–	–	–	–	–
The Kildare Trust	5,935	7,230	(12,265)	–	900
Eveson Trust	13,600	–	(5,532)	–	8,068
Total restricted funds	597,614	22,230	(52,244)	–	567,600
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	178,267	–	–	–	178,267
Refurbishment of hospice patient focussed rooms and general areas	105,800	–	–	–	105,800
Hospice kitchen & equipment	20,000	–	–	–	20,000
Wellbeing	4,000	–	–	–	4,000
Digital	48,000	–	–	–	48,000
Hospice roof and cellar	60,000	–	–	–	60,000
Total designated funds	416,067	–	–	–	416,067
General funds	1,624,198	1,721,981	(1,641,722)	–	1,704,456
Total unrestricted funds	2,040,265	1,721,981	(1,641,722)	–	2,120,523
Total funds	2,637,878	1,744,211	(1,693,965)	–	2,688,123

Notes to the financial statements

For the year ended 31 March 2024

20 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2024 £	2023 £	Equipment 2024 £	2023 £
Less than one year	90,500	78,042	–	1,574
One to five years	36,833	80,938	–	1,088
	127,333	158,980	–	2,662

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2024 £	2023 £	Equipment 2024 £	2023 £
Less than one year	43,000	30,542	–	–
One to five years	36,833	68,750	–	–
	79,833	99,292	–	–

21 Capital commitments

At the balance sheet date, the group had Nil capital commitments (2023: £0).

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 07846810
Charity Number: 1146310

KEMP Hospice

Formerly KEMP House Trust

Report and consolidated financial statements

For the year ended 31 March 2023



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Reference and administrative information

For the year ended 31 March 2023

Company number 07846810
Country of incorporation United Kingdom

Charity number 1146310
Country of registration England & Wales

Registered office and operational address 41 Mason Road
KIDDERMINSTER
DY11 6AG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mr Geoff Taylor-Smith Chair
Mrs Kate E Collyer
Mrs Janet Rowe
Mr Shayne Taylor (Resigned 30 September 2022)
Mrs Julia Neal
Ms Polly Symondson (Resigned 22 September 2023)
Ms Katherine Ellis
Mrs Suzanne Beattie
Mr Philip Davison (Appointed 30 September 2022)

Key management personnel

Caroline Beech	Chief Executive
Laurey Grennall	Head of Hospice Services
Charlie Homer	Head of Fundraising & Communications (Resigned 24 March 2023)
Jayne Sargeant	Head of Fundraising & Communications (Appointed 27 March 2023)
Gary Barnes	Head of Retail
Andy Stanney	Head of People
Rachel Paget	Head of Finance

Bankers

Santander
Bridle Road
Bootle
L30 4GB

HSBC Bank plc
6 Broad Street
Worcester
WR1 2EJ

Solicitors

Painters
29 Church Street
Kidderminster
CY10 2AU

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Our objectives:

To provide clinical, emotional, and spiritual care with practical support for people, their families, carers and the wider community who may be affected by serious and life-limiting illness within Worcestershire and the surrounding areas, are contained in full within our Articles of Association and also reflected in our vision, mission and values as follows:

Our Vision:

Quality and choice in end-of-life care and bereavement support, easily accessed by everyone in the Wyre Forest who needs it.

Our Mission:

- ✦ To ensure the people we support are at the heart of all we do.
- ✦ To care for individuals living with life limiting conditions and provide practical support to the people who matter to them.
- ✦ To support children and adults who have experienced bereavement, helping them to find their new normal.
- ✦ To fundraise so that we can continue to provide our services free of charge.
- ✦ Together our staff and volunteers carry out our work in partnership with providers, businesses, groups, and individuals in our local community.

Our Values:

Positive; Respectful; Professional, Compassionate; Inclusive and Trustworthy

Our Activities

KEMP Hospice provides free specialist care for people affected by life limiting illness and gives support to those who have been bereaved in the Wyre Forest (Worcestershire) and surrounding areas. Our expert and compassionate care and support is provided not only for the patient but also for their carers and wider family, including children and young people.

Provided by a team of dedicated staff and 190 volunteers all our support is free to access and with our hospice users facing a wide range of life limiting illnesses and conditions, we place great importance on taking a holistic view of patient care to deliver everything in response to the specific needs of an individual and their family.

Our services include:

- ✚ *The Wyre Forest's only specialist, nurse-supported Day Hospice* – combining clinical care with a range of therapies to support patients' physical and emotional wellbeing, including complementary therapies and creative arts provision;
- ✚ *Support services provided in the home* – including occupational therapy, an exercise and wellbeing practitioner who can offer support via Zoom and exercise plans for patients at home;
- ✚ *A support group and monthly drop-in sessions for carers;*
- ✚ *Virtual support (provided online) for patients where there is an identified need for this and face-to-face support is either not appropriate or accessible;*
- ✚ *Family Support & Bereavement Services* – counselling and emotional support for adults affected by a life limiting illness or bereavement and children and young people affected by bereavement or a family member's life limiting illness. Our trained counsellors support individuals by giving them a safe place to share their feelings, manage their grief and help build a future life.
- ✚ *Welfare & Financial Advice* – offering advice, information and representation with regard to a range of issues, including: benefits, housing, employment, debt and relationship problems;
- ✚ *Spiritual Care* – KEMP Hospice welcomes people of all faiths and of none. Our team offer care and support through music, spiritual creativity, reflection, or prayer.

We are proud to work closely with the Community Palliative Care Team and the Wyre Forest Palliative Care Consultant, to ensure the care being provided to patients is as streamlined and comprehensive as possible. Additionally, we facilitate a heart failure clinic once every two months and Worcestershire Health and Care Trust operate a Lymphedema outpatient clinic weekly from one of our treatment rooms.

Achievements and performance 2022-23

It has been an incredibly busy year at KEMP Hospice with many exciting developments, as well as challenges with recruitment, increasing complexities and demands on services. Despite the challenges, in 2022-2023 KEMP Hospice has continued to develop and continue services without any or minimal disruption. We have reopened our services fully to the new normal following the main Covid-19 pandemic years of 2020-2022.

Service provision

Our KEMP Hospice Services Team includes specialists which provide, rehab and exercise, occupational therapy, creative arts and complementary therapies, financial and welfare support, and wellbeing support. Patients, families, and carers can access support from our team of specialists through one-to-one appointments, group settings on site or virtually, as well as outreaching services and support to patients' home. The KEMP Hospice Specialist Team, work with the patient to develop an individualised holistic plan of care and support which is regularly reviewed with the patient and adapted to their individual needs.

KEMP Hospice Outreach provides specialist support, advice, education, and training to 44 care homes in the Wyre Forest District; advocating and supporting residents to ensure their wishes and preferences are known and supported with regards to advanced care planning and care.

We have experienced a challenging year with recruitment which seems to be the trend experienced within the hospice sector and NHS providers locally and nationally.

This has required KEMP Hospice to be innovative in our recruitment strategy of health professionals. As part of this review process, we have employed a Development Clinical Nurse Specialist who will complete a

structured competency and training framework over a 2-year period. To deliver this training we have collaborated with St Richards Hospice and the Community Specialist Palliative Team who will provide placement hours gaining experience in all aspects of specialist palliative care.

We have recruited into two key posts; Care Services Manager (previous incumbent retired in December 2022) and Family Support & Bereavement Services Manager. This places KEMP in a strong position to continue developing our service provision for those living within the Wyre Forest.

Family Support and Bereavement

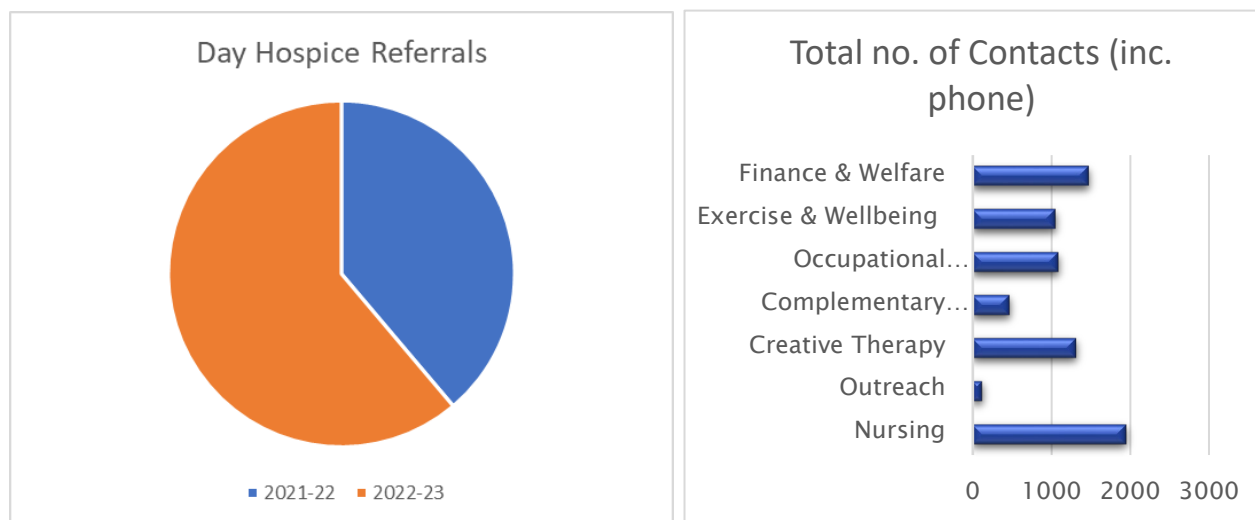
Our bereavement team of specialist counsellors and trained volunteers support anyone who is facing or who has experienced a bereavement or loss in the last 5 years. Our services are available to children from the age of 5, young people and adults, through one-to-one counselling and group support. Bereavement clients can be seen at the hospice, at school and in people's homes. Our young people's service offers therapeutic support including using arts, crafting, play and talking to enable young people to explore their emotions as well as regular memory days throughout the year.

Members of the Family Support & Bereavement Counselling Team are working with colleagues from St Richards and Primrose Hospices and will be delivering training to schools across Worcestershire. The first training session was delivered February 2023. This training will support schools to develop appropriate and supportive bereavement policies so that children and young people have access to good immediate support from their school following a bereavement. In May 2022 we ran a Memory Day for children receiving bereavement support at an outdoor activity centre.

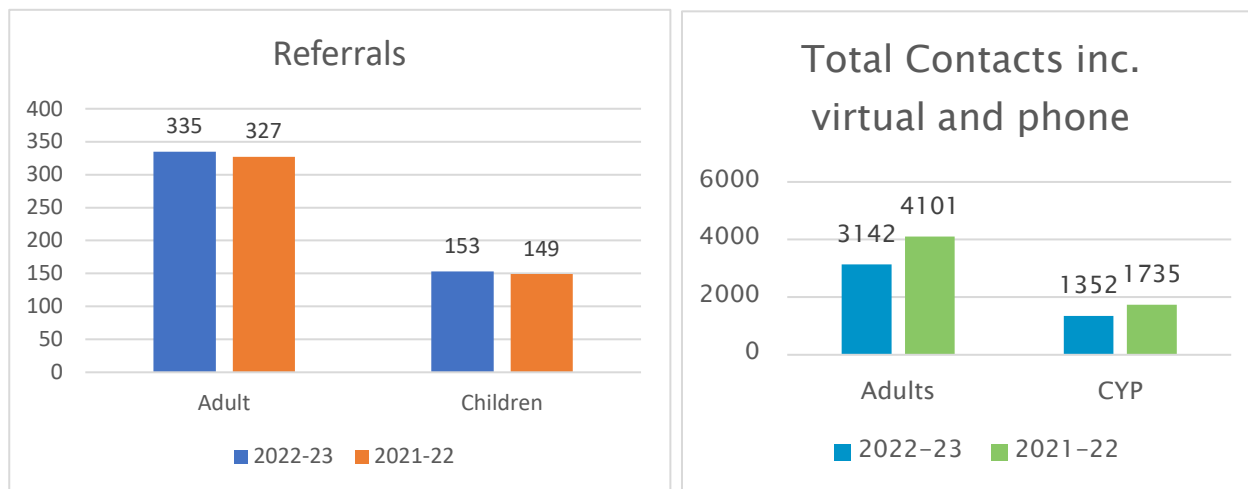
Activity 2022-23

Care Services Referrals & Activity

Patients are now accessing a wider level of support provided by the multi-disciplinary team, and we have seen a significant increase in 2022-23 for Day Hospice Services with a total of 493 referrals compared to 313 in 2021-22. The total number of contacts, including phone contacts, for 2022-23 are shown below for each service activity.



Family Support & Bereavement Services Referrals & Activity



We received 335 referrals (327 2021/22) for support for bereaved adults and 153 (149 2021/22) for children and young people. We had seen a significant increase in demand in 2021-22 and this increase has remained consistent in 2022-23. We have had a total of 4,458 contacts with clients and of those 3,142 were with adults (4,101 2021/22) and 1,352 were children and young people contacts (1,735 2021/22). Contacts are sessions which are delivered either by phone, face to face or virtual. The reduction in contacts in 2022-23 compared to the previous year reflects the return of face-to-face sessions following the pandemic.

Additional Key Highlights / Developments in Services 2022-23

- ✈ CQC direct monitoring call held 25/07/22 with CQC inspector, LG (Head of Hospice Services) and KC (Care Services Manager). The outcome was that there was no need for inspection in 2022-2023 and for another monitoring call in around 12 months unless a need to reassess raised with CQC. This was updated on the CQC website as follows: We reviewed the information and data available to us about KEMP Hospice on 8 September 2022. We have not found evidence that we need to reassess the rating at this stage. We will continue to monitor information about this service.
- ✈ EMIS electronic notes went live for the Care Services Team. This has been designed for our specialist needs to enable comprehensive assessments, documentation and reporting which will enable evidencing and enhanced reporting of our impact and care. Once data sharing agreements have been finalised EMIS will allow information sharing between GPs, community services and hospices which will be beneficial for patient care and improve communication and collaborative working between service providers.
- ✈ Outreaching Complementary Therapy and Exercise & Wellbeing into patients place of residence.
- ✈ A new befriending service launched in April 2023 following the appointment of a Befriending Volunteer Coordinator in August 2022. The KEMP Befriending Service aims to provide companionship, emotional support, and a listening ear to those living with life limiting illness who may be experiencing isolation and loneliness in their home. The KEMP Befriending Service places a volunteer with someone who would benefit from a weekly visit to offer company and conversation. They may join in with hobbies and interests of the person they are visiting but will not be permitted or required to provide any personal or medical care.

What Our Patients, Clients and Professionals say About Us

At KEMP we value the feedback we receive from the people who receive our support, their families, and carers. This helps us to always be assessing and reviewing our work, ensuring that we are improving the quality of care we provide.

Carers group feedback

I would absolutely recommend this course - we can talk in front of each other, listening, crying, laughing, just venting for the few hours. I can't thank all the staff enough for the hard work, caring and dedication they have shown to each one of us who attended the course.

Complementary Therapy

Reported by a Parkinson's patient: "I have found the exercises suggested by the Complementary Therapist very beneficial and have been practising at home".

Finance & Welfare

*Took the financial side off my family: Helped me get a benefit I didn't know I was entitled to. They were always at the end of the phone if I have any other matters to deal with. Help and advice was perfect. They sorted out everything that we needed.
Fantastic lady.*

University of Worcester

The Counties School of Nursing & Midwifery

"Rewarding excellence in facilitating student learning" Just a note to say thank you for all your assistance with the supervision and assessment of student nurses. Your team has been ascertained via student evaluations as an outstanding unit when it comes to supporting students.

Outreach Nurse Specialist

Talking to the Outreach Nurse helped me to get things into perspective and make the choices that will ensure my mum gets the support and care she needs. Thank you so much.

Care Services Team

"Thank you to EVERYONE involved in the Jubilee Party at KEMP Hospice. I so enjoyed meeting new people and the activities provided for us all. It would be unfair to name any names, but you all know who you are who took so much care and pleasure in that day; but please thank all the 'behind the scenes' people involved, especially the volunteers. KEMP is a very special place because of the VERY SPECIAL PEOPLE who work and volunteer there."

Complementary Therapy & Creative Arts

The massage was very relaxing and then to go and paint a lovely thing for Easter was so therapeutic.

Exercise & Wellbeing Practitioner

Tripudio Flow: easy to follow, fun. Very knowledgeable and explains so well and is encouraging.

It was very easy to follow and was a good workout. Practitioner was very positive in her delivery which made it a great experience. The whole session was both calming and energising.

Family Support & Bereavement Counselling Team

Counselling has changed my life forever. After everything you think you can't ever think you can be who you are again. The counsellor helped me become a better version of myself, my family and friends have noticed how happy I am now. I understand it all now with no guilt or regret. It's amazing.

It made me realise I am important, and I deserve a life.

Generation of Income

- ✎ KEMP Hospice has a varied portfolio of fundraising initiatives. This ensures that supporters have a wide range of ways in which to engage with the charity and minimises the risk of becoming dependent on any one fundraising activity.
- ✎ KEMP Hospice is registered with the Fundraising Regulator. We adhere to and maintain the standards set out by the regulator, ensuring our fundraising is legal, open, honest, and respectful to the public. Furthermore, we are committed to adhering to the Institute of Fundraising Code of Fundraising Practice and the specific guidance on treating donors fairly (through Respect, Fairness, Accountable, Responsive) in all our fundraising activities, ensuring that we protect vulnerable people. We received no complaints in relation to our fundraising activities during the year.
- ✎ We are fortunate to have strong community support and benefit from a number of third-party events. Our dedicated Community Fundraiser and wider fundraising team supports all events we are aware of, and ensures regulations are being adhered to.
- ✎ We are part of Your Hospice Lottery, which is owned and administered by St Helena Hospice and specifically operates to raise funds for hospice care. Canvassers are employed by Your Hospice Lottery but engage with KEMP as part of their induction. These fundraisers engage with the public at external venues, events, and by carrying out door to door activity. They are not permitted to carry out these activities without identification, are highly trained, and never collect or accept money. Neither do they pursue individuals who have made it clear they do not wish to engage.
- ✎ We have a Donations Centre in Kidderminster and operate 6 retail charity shops across Kidderminster, Stourport and Bewdley as well as our own online eBay shop.

Sincere Thanks

The flexible approach and dedication to ensuring the people who need our services continued to be cared for and supported throughout this year would not have been possible without the dedication of our hardworking staff along with the very many willing volunteers who give freely of their time and talents and we would like to take this opportunity to thank them all for their efforts.

At the end of the financial year we are fortunate to have an incredible 190 individuals volunteering their time across our charity within Retail; Fundraising; Finance; Care and Bereavement Services; and on our Board of Trustees. In total an incredible 32,253 hours of time, commitment, hard work and skills were shared to help us in delivering our work.

Financial review

Our total income for the year was £1,744,211 (2022: £2,021,740) with a net surplus of £50,246 (2022: £377,829). All our income is used to support in the delivery of services to our patients and clients.

Trustees' annual report

For the year ended 31 March 2023

Income

We received annual funding in the form of a grant agreement from Herefordshire and Worcestershire Integrated Care System totalling £292,980 (2022: £286,113).

There are some notable achievements for our income within this financial year, despite the continuing challenges due to the economic uncertainties.

- ✂ We are delighted to report an income of £737,848 (2021/22: £694,383) from our charity shops for 2022/23.
- ✂ Our lottery income, £55,052 (2021/22: £53,883) has continued to increase compared to last year.
- ✂ We received a total of £243,539 (2022: £14,099) of legacy income which had a transformational impact on our income total for the year.

Our thanks go to the Trustees of KEMP House Trust, who supported us in this financial year with funding of £50,000 towards us adapting and continuing to provide our vital services.

We are also grateful to the following Trusts and Foundations for their support:

- | | |
|---|------------------------------------|
| ✂ The February Foundation | ✂ The J A Gillett Charitable Trust |
| ✂ Arnold Clark Community Fund | ✂ The Heathcock Charitable Trust |
| ✂ MFG Solicitors | ✂ The DMF Ellis Charitable Trust |
| ✂ Albright Grimley Charity | ✂ Baron Davenport's Charity |
| ✂ The Burford Trust | ✂ The Eveson Charitable Trust |
| ✂ The Astley & Areley Kings Sick Fund | ✂ The Blakemore Foundation |
| ✂ Albert Hunt Trust | ✂ The Douglas Turner Trust |
| ✂ Eric W Vincent | ✂ Lillie Johnson Charitable Trust |
| ✂ Cadbury's | ✂ GJW Turner Trust |
| ✂ the Michael & Anna Wix Charitable Trust | ✂ The Charity of Stella Symons |
| ✂ Brian Shaw Memorial Trust | ✂ Hospice Aid UK |
| ✂ The TK Maxx and Homesense Foundation | |
| ✂ The Blakemore Foundation | ✂ The L&R Gilley Charitable Trust |
| ✂ Lillie Johnson Charitable Trust | ✂ Laslett's Charities |
| ✂ Worcestershire Enterprise Limited | ✂ Lillie Johnson Charitable Trust |
| ✂ The Ardwick Trust | ✂ The Uncle Bill Trust |
| | ✂ Children in Need |

Expenditure

Our total expenditure in 2022/23 was £1,693,965 (2022: £1,643,911) and contribution split can be seen below.

Our fundraising and retail expenditure directly supports our income generation for the charity, and this was increased in this financial year at £915,598 (2022: £913,011) which reflects the increase in salary and utility costs.

Total funds held at the end of the financial year were £2,688,123 (2022: £2,637,878), of which £567,600 (2022: £597,614) is restricted to support the fixed assets which are essential for our charitable activities.

Risk Management

We have a risk policy and register to enable the identification, monitoring and management of controls to mitigate risks. The Senior Team and Board of Trustees consider risks on a quarterly basis.

The key strategic risks are:

- ✎ **Failure to raise the required funds to deliver our services.** We have skilled and experienced staff and trustees in key roles. As well as quarterly income and financial scrutiny, our income and expenditure is reviewed on a monthly basis and any variances against budget are reviewed. We also have a comprehensive fundraising strategy.
- ✎ **Changing social attitudes may reduce the pool of people who will enable us to fulfil our planned recruitment of volunteers.** We mitigate this risk by nurturing relationships with organisations and individuals who can support us in facilitating recruitment of potential volunteers, as well as exploring ways to taking a collaborative approach to volunteer attraction and recruitment with other hospices and charities.
- ✎ **Competing with Agenda for Change pay and reward packages could affect our recruitment of health and social care colleagues.** As well as an emphasis on communicating our culture and carrying out regular benchmarking activities, we are committed to building on strong recruitment and employment foundations to ensure people who work with us are engaged and valued.
- ✎ **Changes in government/Integrated Care Board funding and commissioning strategy.** We maintain effective, open relationships with our commissioners and ensure all reporting requirements are met.
- ✎ **Failure to comply with safeguarding requirements.** We ensure all relevant roles undertake mandatory safeguarding training, and the board of trustees and management team ensure that processes and procedures are up to date and relevant.

Risk and Compliance

As a company and charity providing regulated and commissioned services, we follow codes of ethics and practice in our services and fundraising activities; we take our regulatory responsibilities seriously and work to protect our reputation and credibility as a professional organisation.

- ✎ We are thankful that we had no reportable incidents throughout the financial year. This applies to the Fundraising Regulator, CQC, ICO and Charity Commission.
- ✎ We had no CQC visit in this financial year, although our Head of Hospice Services and Care Services Manager took part in a virtual engagement meeting with our Inspector in July 2022 and updated on our changes in service delivery. There were no concerns raised.
- ✎ We continue to review all clinical policies and procedures, as well as ensuring a focus on the CQC Key Lines of Enquiry.
- ✎ All mandatory training has been carried out in line with our plans for the year and we have reviewed and updated our mandatory training matrix as part of the People policies review.
- ✎ We continue to enjoy open and supportive relationships and provide extensive reports to our Integrated Care Board Quality and Contract officers.

Reserves policy and going concern

The trustees have examined the charity's requirements for reserves considering the main risks as listed above to the organisation, including assessed projected future income, expenditure and cashflows.

The Trustees believe the Charity's financial resources and contingency planning is sufficient to ensure the continuation of the Charity as a going concern for the foreseeable future. Consequently, the financial statements have been prepared on this basis.

A reserves policy is established to ensure the Charity has the financial capacity needed to safeguard the provision of vital services to patients and carers from the adverse financial effects of significant and unforeseen changes in income and expenditure.

The boards target policy for available reserves are that the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least 6 months and no more than 18 months of anticipated expenditure. Based on the latest set of accounts, this should be between £846k and £2,540k. The Charity is a going concern, and the Board of Trustees fully intend to see this continue long into the future. Should this not be possible, available reserves would assist the Charity in honouring its commitments to patients and carers, employees, supporters and creditors as it scales back operations.

At the end of the financial year unrestricted reserves for the Charity were £1,704,457 (2022: £1,624,197), which is 12 months of the anticipated expenditure and representative of the desired reserves position.

Available reserves are calculated in accordance with the Charity Commission guidance as follows:

	£
Total Reserves	2,688,124
Less	
Restricted Reserves	(567,600)
Designated funds – Capital projects	(412,067)
Designated funds – Wellbeing	(4,000)
Available unrestricted reserves	1,704,457

The board manages financial risks, such as income or cost fluctuation by regularly reviewing our financial plans and income pipelines.

Plans for the future

As we enter the last year of KEMP's current 5-year strategy we will begin to focus on creating a new strategy for the organisation which will focus on the future needs of the growing population in the Wyre Forest.

Structure, Governance and Management

KEMP Hospice is a charitable company limited by guarantee, incorporated on 14 November 2011 and registered as a charity on 9 March 2012.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The company name was changed from KEMP House Trust Ltd to KEMP Hospice by resolution on 30th September 2022 and certified by Companies House on 13th October 2022.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Our Group Structure

The group comprises the Trust and its wholly owned subsidiary KEMP House Trust (Hospice Shop) Limited. The group produces consolidated accounts that include the result of both entities.

KEMP House Trust (Hospice Shop) Limited is a wholly owned trading subsidiary. Its purpose is to generate income to support the Charity's objectives by selling donated and new goods at a profit in a network of shops. The trading company acts as the Trust's agent for an HMRC approved Gift Aid scheme for donated goods. It transfers profits to the Charity using the HMRC Gift Aid scheme for corporate donations. Its results are set out in note 12 of these financial statements.

The Board of Trustees

KEMP Hospice trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. The trustees agree the strategic direction of the charity through the preparation and monitoring of a 5-year strategy. To support delivery of the strategy, an operational business plan and budget is developed annually, approved, and reviewed by the trustees. Our full strategy can be viewed by visiting our website:

Progress towards achieving objectives is monitored and reviewed through the respective sub-committee which are focussed on Services, Finance, Resources and Risk and Income Generation, and at full Board meetings of the trustees. Monthly management accounts and quarterly reports by the Chief Executive and departmental managers are provided.

Day-to-day responsibility for the management of the charity is delegated to a senior management team of six, comprising: Chief Executive Officer, Caroline Beech; Head of Finance, Rachel Paget; Head of Fundraising & Communications, Jayne Sargeant; Head of Hospice Services, Laurey Grennall; Head of People, Andy Stanney and Head of Retail, Gary Barnes. The senior management team meet fortnightly to discuss both strategic and operational matters.

The trustees consider that they have complied with their duty in Section 17(5) of the Charities Act 2011 and have referred to the guidance provided by the Charity Commission on public benefit when reviewing the charity's aims and objectives.

The Board of Trustees have embraced the Charity Governance Code, carrying out a self-assessment and have identified two key areas of focus: how the charity can demonstrate not only our financial/economic sustainability, but also our ecological and environmental impact in all our operations and how the organisation can embed Equality, Diversity and Inclusion within our culture and across all operations, including within the Board itself.

Appointment of trustees

KEMP Hospice recruit trustees based on several factors including, but not limited to, the need for a particular skill, a mix of backgrounds, experiences and considering a range of dynamics. The charity utilises social media to promote trustee vacancies, as well as charity and individual networks. A comprehensive structured recruitment process includes formal interview, time spent with a range of the charity personnel, and attendance at two Board meetings. The existing trustees then vote to appoint.

Within this financial year the Board appointed Phil Davison as a trustee.

The following committees remain unchanged throughout the year; MAGIC (Marketing and Generation of Income Committee), Finance, Resource and Risk Committee, and Hospice Services Committee. Trustees must complete mandatory training which includes: safeguarding; data security awareness; equality, diversity and human rights; and health and safety.

None of the trustees are remunerated.

Related parties and relationships with other organisations

KEMP House Trust is a separate registered charity (charity no. 511141), governed by a Trust Deed, which manages an investment portfolio and whose principal objective is to support the activities of KEMP Hospice, on provision of a costed business case which demonstrates the benefits to the beneficiaries of the hospice services.

During the year ending March 2023 there were four trustees, who meet quarterly and manage and oversee the investment portfolio with the professional advice of Investec Wealth and Investment Ltd. who meet with the trustees twice a year and provide regular written reports to the board.

KEMP House Trust (Hospice Shop Ltd): The Trading Company is a wholly owned subsidiary of the Hospice. There were two directors serving during the year who have accountability for retail activities. The Hospice Chief Executive has ultimate responsibility for the management of the Hospice and Trading Company. Both of the current directors are hospice Trustees. The Head of Retail and Head of Finance & Infrastructure attend the Board meetings, which are held quarterly.

Following a review of the organisational structure and the decision to continue with the operation of the trading company, the work to negotiate lease terms of the retail property portfolio continues.

Statement of responsibilities of the trustees

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

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

- ✦ Select suitable accounting policies and then apply them consistently
- ✦ Observe the methods and principles in the Charities SORP
- ✦ Make judgements and estimates that are reasonable and prudent
- ✦ State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- ✦ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and 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 auditor is unaware
- ✦ 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 auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 8 (2022: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 6 December 2023 and signed on their behalf by

Geoff Taylor-Smith
Chair

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Opinion

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

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance and income committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

KEMP Hospice (formerly KEMP House Trust Limited)

Use of our report

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

Fleur Holden (Senior statutory auditor)

12 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

KEMP Hospice (formerly KEMP House Trust Limited)
Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	601,647	22,230	623,877	796,389	33,132	829,521
Charitable activities							
Hospice services	3	307,824	–	307,824	295,003	61,320	356,323
Education income	3	2,456	–	2,456	1,391	–	1,391
Other trading activities							
Charity shop income		737,848	–	737,848	694,383	–	694,383
Management charges		3,000	–	3,000	3,000	–	3,000
Lottery income		55,052	–	55,052	53,883	–	53,883
Other income							
Coronavirus Job Retention Scheme		–	–	–	8,106	–	8,106
Retail, Hospitality & Leisure Grants		–	–	–	27,335	–	27,335
Retail Business Interruption Insurance		–	–	–	23,539	–	23,539
Kickstart		–	–	–	22,746	–	22,746
Investments		14,154	–	14,154	1,513	–	1,513
Total income		1,721,981	22,230	1,744,211	1,927,288	94,452	2,021,740
Expenditure on:							
Raising funds	5						
Fundraising costs		337,725	–	337,725	313,747	–	313,747
Charity shop costs		577,873	–	577,873	599,264	–	599,264
Charitable activities							
Hospice services	5	725,589	52,244	777,833	629,447	101,452	730,899
Tax payable by subsidiaries	12	535	–	535	–	–	–
Total expenditure		1,641,722	52,244	1,693,965	1,542,459	101,452	1,643,911
Net income / (expenditure) for the year	6	80,259	(30,014)	50,245	384,829	(7,000)	377,829
Transfers between funds		–	–	–	–	–	–
Net movement in funds		80,259	(30,014)	50,245	384,829	(7,000)	377,829
Reconciliation of funds:							
Total funds brought forward		2,040,264	597,614	2,637,878	1,655,435	604,614	2,260,049
Total funds carried forward		2,120,523	567,600	2,688,123	2,040,264	597,614	2,637,878

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19a to the financial statements.

KEMP Hospice (formerly KEMP House Trust Limited)
Balance sheets

Company no. 07846810

As at 31 March 2023

		The group		The charity	
	Note	2023	2022	2023	2022
		£	£	£	£
Fixed assets:					
Tangible assets	11	660,643	689,900	648,002	672,159
Investments	12	–	–	5,002	5,002
		660,643	689,900	653,004	677,161
Current assets:					
Stock	14	2,361	26	–	–
Debtors	15	563,126	755,835	1,219,424	1,215,479
Cash at bank and in hand		1,640,960	1,392,699	923,176	902,020
		2,206,447	2,148,560	2,142,600	2,117,499
Liabilities:					
Creditors: amounts falling due within one year	16	(149,067)	(200,582)	(133,255)	(156,782)
Net current assets		2,057,380	1,947,978	2,009,345	1,960,717
Provision for liabilities	17	(29,900)	–	(6,000)	–
Total assets less current liabilities		2,688,123	2,637,878	2,656,349	2,637,878
Total net assets		2,688,123	2,637,878	2,656,349	2,637,878
Funds:	18a				
Restricted income funds		567,600	597,614	567,600	597,614
Unrestricted income funds:					
Designated funds		416,067	416,067	416,067	416,067
General funds		1,704,456	1,624,197	1,672,682	1,624,197
Total funds		2,688,123	2,637,878	2,656,349	2,637,878

Approved by the trustees on 6th December 2023 and signed on their behalf by

 Geoff Taylor-Smith
Chair

 Janet Rowe
Trustee

Consolidated statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)		50,245		377,829	
Depreciation charges		43,913		72,817	
Loss on disposal of fixed assets		238		-	
Interest from investments		(14,154)		(1,513)	
(Increase)/decrease in stocks		(2,335)		2,553	
Decrease/(Income)in debtors		192,709		(371,755)	
(Decrease)/Increase in creditors		(51,515)		118,433	
Increase in provisions		29,900		-	
Net cash provided by operating activities		249,001		198,364	
Cash flows from investing activities:					
Interest received		14,154		1,513	
Purchase of fixed assets		(14,894)		(48,803)	
Net cash provided used in investing activities		(740)		(47,290)	
Change in cash and cash equivalents in the year		248,261		151,074	
Cash and cash equivalents at the beginning of the year		1,392,699		1,241,625	
Cash and cash equivalents at the end of the year		1,640,960		1,392,699	

Analysis of cash and cash equivalents

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,392,699	248,261	1,640,960
Total cash and cash equivalents	1,392,699	248,261	1,640,960

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

a) Statutory information

KEMP Hospice is a charitable company limited by guarantee and is incorporated in England and Wales. KEMP Hospice changed its name from KEMP House Trust Limited by resolution on 30th September 2022. The registered office address is 41 Mason Road, Kidderminster, Worcestershire, DY11 6AG.

b) Basis of preparation

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

These financial statements consolidate the results of the charity and its wholly-owned subsidiary KEMP House Trust (Hospice Shop) Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as a summary of the result for the year is disclosed in the notes to the accounts.

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

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

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

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Further information in relation to the trustees' appraisal of going concern is included in the trustees' annual report.

There are no key judgements that the charity has made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

In the prior year, the directors approved the decision to liquidate the company as the premises leases and trading activity would be transferred to the parent company (KEMP Hospice, formerly KEMP House Trust Limited). The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur, they plan to keep this company open for other trading purposes.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

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

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

g) Retail, Hospitality and Leisure Grants

The trading subsidiary has received a Retail, Hospitality and Leisure Grant from the local authority for each shop. The grants were received and were recognised in the financial year ending 31 March 2021 based on an entitlement date of 1 April 2020 as per the guidance issued by the Department for Business, Energy and Industrial Strategy.

h) Interest receivable

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

i) Fund accounting

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

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

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

j) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, grants and legacies and costs of trading activities including the costs of goods sold, shop costs and their associated support costs
- Expenditure on charitable activities includes the costs of providing specialist palliative care and support and the costs of community services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) Allocation of support costs

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the hospice's charitable, income generating and governance activities to be undertaken.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|-------------------------|-----|
| • Cost of raising funds | 34% |
| • Hospice services | 66% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

l) Operating leases

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

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

● Leasehold land & buildings	4% straight line and 99 years
● Leasehold property improvements	5 years
● Motor vehicles	4 years
● Office equipment	3 years
● Furniture & equipment	3 years and 25% reducing balance

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

p) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Cash at bank and in hand

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

r) Creditors and provisions

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

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

t) Pensions

Pension contributions to the group personal pension plan are charged against income when payable.

Notes to the financial statements

For the year ended 31 March 2023

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
General donations	12,935	–	12,935	24,558	–	24,558
Gift aid	62,361	–	62,361	56,809	–	56,809
In memoriam	30,974	–	30,974	28,883	–	28,883
Grants from KEMP House Trust	50,000	–	50,000	435,099	–	435,099
Other charitable trusts	62,500	22,230	84,730	97,416	26,230	123,646
Legacies	243,539	–	243,539	7,197	6,902	14,099
Corporate income	22,463	–	22,463	18,775	–	18,775
Fundraising income	116,875	–	116,875	127,652	–	127,652
	601,647	22,230	623,877	796,389	33,132	829,521

Fundraising income includes events, raffle, community fundraising and donations.

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
CCG grant	292,980	–	292,980	286,113	–	286,113
Hospice UK Income	–	–	–	–	61,320	61,320
Other income	14,844	–	14,844	8,890	–	8,890
Sub-total for Hospice services	307,824	–	307,824	295,003	61,320	356,323
Education income	2,456	–	2,456	1,391	–	1,391
Sub-total for Education	2,456	–	2,456	1,391	–	1,391
Total income from charitable activities	310,280	–	310,280	296,394	61,320	357,714

Education income is for medical student palliative care placements.

KEMP Hospice (formerly KEMP House Trust Limited)

Notes to the financial statements

For the year ended 31 March 2023

5a Analysis of expenditure (current year)

			Charitable activities				
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 7)	110,711	314,778	411,203	–	252,824	1,089,516	1,098,576
Fundraising costs	35,174	–	–	–	–	35,174	29,183
Hospice events	8,627	–	–	–	–	8,627	9,387
Hospice care	–	–	42,879	–	–	42,879	16,889
Community fundraising	3,188	–	–	–	–	3,188	2,588
Corporate costs	18,020	–	–	–	–	18,020	14,868
Spiritual care	–	–	–	–	–	–	83
Volunteer costs	–	–	148	–	52	200	194
Catering	–	–	6,278	–	–	6,278	3,688
ACP costs	–	–	856	–	–	856	258
Running costs	–	263,630	–	–	–	263,630	290,674
Comms and marketing	–	–	–	–	14,964	14,964	7,164
Operations	–	–	–	600	22,843	23,443	852
Building costs	–	–	–	–	106,448	106,448	91,999
IT costs	8,068	–	–	–	33,114	41,181	32,281
Training	1,235	–	3,664	250	1,595	6,744	13,710
Professional fees	–	–	7,400	–	8,737	16,137	15,941
Audit fee	–	–	–	16,680	–	16,680	15,575
	185,023	578,408	472,428	17,530	440,577	1,693,965	1,643,910
Support costs	146,859	–	293,718	–	(440,577)	–	–
Governance costs	5,843	–	11,687	(17,530)	–	–	–
Total expenditure 2023	337,725	578,408	777,833	–	–	1,693,965	
Total expenditure 2022	313,747	599,264	730,899	–	–		1,643,910

KEMP Hospice (formerly KEMP House Trust Limited)

Notes to the financial statements

For the year ended 31 March 2023

5b Analysis of expenditure (prior year)

	Raising funds £	Charity shop costs	Charitable activities Hospice services & Education £	Governance costs £	Support costs £	2022 Total £
	121,357	308,590	430,676	–	237,953	1,098,576
Fundraising costs	29,183	–	–	–	–	29,183
Hospice events	9,387	–	–	–	–	9,387
Hospice care	–	–	16,889	–	–	16,889
Community fundraising	2,588	–	–	–	–	2,588
Corporate costs	14,868	–	–	–	–	14,868
Spiritual care	–	–	83	–	–	83
Volunteer costs	–	–	–	110	84	194
Catering	–	–	3,688	–	–	3,688
ACP costs	–	–	258	–	–	258
Running costs	–	290,674	–	–	–	290,674
Comms and marketing	391	–	–	92	6,680	7,164
Operations	–	–	–	852	–	852
Building costs	–	–	–	–	–	–
IT costs	1,587	–	698	–	29,996	32,281
Training	316	–	7,917	540	4,937	13,710
Professional fees	–	–	2,550	7,047	6,344	15,941
Audit fee	–	–	–	15,575	–	15,575
	179,677	599,264	462,759	24,216	285,995	1,551,911
Support costs	95,332	–	190,663	–	(285,995)	–
Governance costs	8,072	–	16,144	(24,216)	–	–
Total expenditure 2022	283,081	599,264	669,566	–	–	1,551,911

Notes to the financial statements

For the year ended 31 March 2023

6 Net income / (expenditure) for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	43,913	72,817
Loss on disposal of fixed assets	238	-
Operating lease rentals:		
Property	98,666	94,301
Equipment	473	380
Auditor's remuneration (excluding VAT):		
Audit	10,900	12,050
Audit of subsidiary	3,000	-
Other services	1,750	1,600
	<u>103,940</u>	<u>172,148</u>

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	986,500	991,424
Social security costs	79,161	76,448
Employer's contribution to defined contribution pension schemes	23,855	30,704
	<u>1,089,516</u>	<u>1,098,576</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 – £69,999	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £280,061 (2022: £317,035).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

No charity trustee received expenses for the payment or reimbursement of travel and subsistence costs (2022: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 52 (2022: 53).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2023 No.	2022 No.
Raising funds	4.6	3.6
Management and administration	3.3	6.7
Retail	14.5	14.3
Support	16.4	13.3
Governance	0.5	0.5
	<u>39.3</u>	<u>38.4</u>

Notes to the financial statements

For the year ended 31 March 2023

9 Related party transactions

During the financial year ended 31 March 2023, KEMP House Trust (Hospice Shop) Ltd made sales of donated goods on behalf of the hospice to the value of £263,353 (2022: £180,822).

At 31 March 2023 KEMP House Trust (Hospice Shop) Ltd owed KEMP Hospice £779,685 (2022: £577,944).

KEMP Hospice received grants of £50,000 within the year in addition to the prior year amount of £435,099 (2022: £435,099) from KEMP House Trust, of which £226,099 (2022: £435,099) was outstanding at year end.

Aggregate donations from related parties were £745 (2022: £300).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary KEMP House Trust (Hospice Shop) Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2023 £	2022 £
UK corporation tax at 19%	-	-

11 Tangible fixed assets

The group	Leasehold buildings £	Leasehold property £	Motor vehicles £	Office equipment £	Furniture and equipment £	Total £
Cost						
At the start of the year	815,755	26,080	22,120	122,837	355,549	1,342,341
Additions in year	-	-	-	4,233	10,661	14,894
Disposals in year	-	-	-	(13,146)	(241,825)	(254,971)
At the end of the year	815,755	26,080	22,120	113,924	124,385	1,102,264
Depreciation						
At the start of the year	167,914	24,626	18,620	100,156	341,126	652,441
Charge for the year	21,144	1,454	875	11,704	8,736	43,913
Eliminated on disposal	-	-	-	(13,145)	(241,588)	(254,733)
At the end of the year	189,058	26,080	19,495	98,715	108,274	441,621
Net book value						
At the end of the year	626,697	-	2,625	15,209	16,111	660,643
At the start of the year	647,841	1,454	3,500	22,681	14,423	689,900

The Charity	Leasehold buildings £	Office equipment £	Furniture and equipment £	Total £
Cost				
At the start of the year	815,755	115,106	322,359	1,253,220
Additions in year	-	3,513	5,905	9,418
Disposals in year	-	(12,199)	(240,673)	(252,872)
Transferred into the Charity	-	1,419	1,998	3,417
At the end of the year	815,755	107,839	89,589	1,013,183
Depreciation				
At the start of the year	167,914	97,409	315,738	581,061
Charge for the year	21,144	10,014	5,596	36,754
Disposals	-	(12,199)	(240,435)	(252,634)
At the end of the year	189,058	95,224	80,899	365,181
Net book value				
At the end of the year	626,697	12,615	8,690	648,002
At the start of the year	647,841	17,697	6,621	672,159

The above assets are used for the Group and Charity.

Notes to the financial statements

For the year ended 31 March 2023

12 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of KEMP House Trust (Hospice Shop) Limited, a company registered in England. The company number is 02847086. The registered office address is 41 Mason Road, Kidderminster, DY11 6AG.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

In the prior year, the directors approved the decision to liquidate the company as the premises leases and trading activity would be transferred to charity. The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur. In 2023, the salaries were paid by the Charity and recharged to the subsidiary as a management charge.

Phil Davison (appointed 19th October 2022) and Kate Collyer (appointed 13th July 2023) are also directors of the subsidiary.

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

	2023 £	2022 £
Turnover	474,370	513,560
Cost of sales	(2,348)	(3,053)
Gross profit	472,022	510,507
Administrative expenses	(252,993)	(551,031)
Management charge payable to parent undertaking	(195,780)	(11,245)
Other operating income	–	73,620
Loss on ordinary activities before interest and taxation	23,249	21,851
Interest receivable and similar income	8,524	271
Loss on ordinary activities before taxation	31,773	22,122
Taxation on profit on ordinary activities	(535)	(1,395)
Profit for the financial year	31,238	20,727
Retained earnings		
Total retained earnings brought forward	–	(56,636)
Adjustment to prior year estimate on distribution	–	44,000
Profit for the financial year	31,238	20,727
Distribution under Gift Aid to parent charity	–	(8,091)
Total retained earnings carried forward	31,238	–
The aggregate of the assets, liabilities and reserves was:		
Assets	856,173	624,794
Liabilities	(819,933)	(619,792)
Reserves	36,240	5,002

Amounts owed to the parent undertaking are shown in note 16.

	2023 £	2022 £
Shares in group undertaking		
Cost at 1 April 2022 and 31 March 2023	5,002	5,002

The charity owns 100% of the share capital of KEMP House Trust (Hospice Shop) Limited.

Notes to the financial statements

For the year ended 31 March 2023

13 Parent charity

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

	2023 £	2022 £
Gross income	1,293,573	1,445,500
Result for the year	19,007	377,829

14 Stock

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Bought goods	2,361	26	-	-
	2,361	26	-	-

15 Debtors

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Trade debtors	91,683	22,431	91,683	22,431
Amounts due from subsidiary company	-	-	779,685	575,993
Amounts due from KEMP House Trust	257,693	465,187	256,998	465,117
VAT	111,755	99,980	-	27,252
Gift Aid	30,398	29,404	30,398	29,404
Prepayments and accrued income	71,597	138,833	60,660	95,282
	563,126	755,835	1,219,424	1,215,479

16 Creditors: amounts falling due within one year

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Trade creditors	1,205	66,603	1,151	39,491
Taxation and social security	18,212	86,748	18,212	84,797
Pension Fund	4,676	5,366	4,676	5,366
VAT	74,615	-	74,615	-
Accruals and deferred income	50,359	41,865	34,601	27,128
	149,067	200,582	133,255	156,782

17 Provision for liabilities

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Dilapidations	29,900	-	6,000	-
	29,900	-	6,000	-

The movement in dilapidations provision in the year was:

	The group 2023 £	2022 £	The charity 2023 £	2022 £
At the start of the year	6,000	-	-	-
Additions	23,900	-	6,000	-
At the end of the year	29,900	-	6,000	-

Within the provision for liabilities is the dilapidation provision for the cost of repairs to a number of leasehold properties at the end of their leases. This value is re-assessed annually. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain.

Notes to the financial statements

For the year ended 31 March 2023

18a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	102,011	558,632	–	660,643
Net current assets	1,602,445	8,968	416,067	2,027,480
Net assets at 31 March 2023	1,704,456	567,600	416,067	2,688,123

18b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	111,821	578,079	–	689,900
Net current assets	1,512,376	19,535	416,067	1,947,978
Net assets at 31 March 2022	1,624,197	597,614	416,067	2,637,878

19a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	254,592	–	(15,912)	–	238,680
Freehold property at Mason Road	323,487	–	(3,535)	–	319,952
BBC Children in Need	5,935	7,230	(12,265)	–	900
The Kildare Trust	13,600	–	(5,532)	–	8,068
Eveson Trust	–	15,000	(15,000)	–	–
Total restricted funds	597,614	22,230	(52,244)	–	567,600
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	178,267	–	–	–	178,267
Refurbishment of hospice patient focussed rooms and general areas	105,800	–	–	–	105,800
Hospice kitchen & equipment	20,000	–	–	–	20,000
Wellbeing	4,000	–	–	–	4,000
Digital	48,000	–	–	–	48,000
Hospice roof and cellar	60,000	–	–	–	60,000
Total designated funds	416,067	–	–	–	416,067
General funds	1,624,198	1,721,981	(1,641,722)	–	1,704,456
Total unrestricted funds	2,040,265	1,721,981	(1,641,722)	–	2,120,523
Total funds	2,637,878	1,744,211	(1,693,965)	–	2,688,123

Notes to the financial statements

For the year ended 31 March 2023

19a Movements in funds (current year) continued

Designated funds are funds which the trustees have set aside for the maintenance and improvement works to the hospice building, employee wellbeing and the development of our digital strategy.

Details of Restricted funds

KEMP in the Garden Building and Freehold Property at Mason Road – depreciation charged on buildings used to deliver our services.

BBC Children in Need – A project to deliver bereavement support to children and young people.

The Kildare Trust – funding to improve the garden at Mason Road.

Eveson Trust – A grant to provide bereavement counselling for children and young people

Details of Designated Funds

Various improvement projects have been identified and approved by the Trustees. These remain under review taking into consideration the requirements for future services and facilities to meet the needs of our population for the next 10 – 20 years.

Redesign and landscaping of garden – improvements to our external environment at Mason Road.

Refurbishment of hospice patient focussed rooms and general areas – fund to support refurbishments of ground floor areas.

Hospice kitchen and equipment – the kitchen and equipment at Mason Road require refurbishment.

Wellbeing – a fund to deliver projects to support employee wellbeing.

Digital – to support upgrading IT infrastructure and the website.

Hospice roof and cellar – the building at Mason Road requires repair so that the cellar can be used for storage.

19b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	270,504	–	(15,912)	–	254,592
Freehold property at Mason Road	327,022	–	(3,535)	–	323,487
Hospice UK	–	61,320	(61,320)	–	–
BBC Children in Need – Childrens Bereavement	7,088	7,230	(8,383)	–	5,935
The Kildare Trust – Garden Project	–	15,000	(1,400)	–	13,600
Legacy	–	6,902	(6,902)	–	–
Francis Winham Foundation – helping the elderly in times of hardship and crisis	–	4,000	(4,000)	–	–
Total restricted funds	604,614	94,452	(101,452)	–	597,614
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	100,000	–	(1,733)	80,000	178,267
Refurbishment of hospice patient focussed rooms and general areas	105,800	–	–	–	105,800
Hospice kitchen & equipment	20,000	–	–	–	20,000
Wellbeing	4,000	–	–	–	4,000
Digital	48,000	–	–	–	48,000
Hospice roof and cellar	60,000	–	–	–	60,000
Total designated funds	337,800	–	(1,733)	80,000	416,067
General funds	1,317,635	1,927,288	(1,540,725)	(80,000)	1,624,198
Total unrestricted funds	1,655,435	1,927,288	(1,542,458)	–	2,040,265
Total funds	2,260,049	2,021,740	(1,643,910)	–	2,637,878

Notes to the financial statements

For the year ended 31 March 2023

20 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2023 £	2022 £	Equipment 2023 £	2022 £
Less than one year	78,042	66,875	1,574	857
One to five years	80,938	158,229	1,088	176
	158,980	225,104	2,662	1,033

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2023 £	2022 £	Equipment 2023 £	2022 £
Less than one year	30,542	14,667	–	–
One to five years	68,750	98,458	–	–
	99,292	113,125	–	–

21 Capital commitments

At the balance sheet date, the group had no capital commitments (2022: £nil).

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

KEMP HOSPICE

England & Wales - Charity number 1146310

Accounts

Company number: 07846810
Charity Number: 1146310

KEMP Hospice

Report and financial statements
For the year ended 31 March 2022

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Reference and administrative information

For the year ended 31 March 2022

Company number 07846810
Country of incorporation United Kingdom

Charity number 1146310
Country of registration England & Wales

Registered office and operational address 41 Mason Road
KIDDERMINSTER
DY11 6AG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mrs Alison Field	Chair (Resigned 30 June 2021)
Mr Geoff Taylor-Smith	Chair (Appointed 1 July 2021)
Mrs Kate E Collyer	
Mrs Janet Rowe	
Mr Shayne Taylor	(Resigned 30 September 2022)
Mrs Julia Neal	
Ms Polly Symondson	
Ms Katherine Ellis	(Appointed 7 Sept 2021)
Mrs Suzanne Beattie	(Appointed 22 March 2022)
Mr Philip Davison	(Appointed 30 September 2022)

Key management personnel	Caroline Beech	Chief Executive (Appointed 1 April 2022)
	Heidi Hawkins	Chief Executive (Resigned 30 March 2022)
	Laurey Grennall	Head of Hospice Services
	Charlie Homer	Head of Fundraising & Communications
	Gary Barnes	Head of Retail
	Andy Stanney	Head of People (Appointed 24 March 2022)
	Ruth Power	Head of People (Resigned 25 March 2022)
	Rachel Paget	Head of Finance (Appointed 5 September 2022)

Bankers

Santander
Bridle Road
Bootle
L30 4GB

HSBC Bank plc
6 Broad Street
Worcester
WR1 2EJ

KEMP House Trust Ltd

Reference and administrative information

For the year ended 31 March 2022

Solicitors

Painters
29 Church Street
Kidderminster
CY10 2AU

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Our objectives: To provide clinical, emotional, and spiritual care with practical support for people, their families, carers and the wider community who may be affected by serious and life-limiting illness within Worcestershire and the surrounding areas, are contained in full within our Articles of Association and also reflected in our vision, mission and values as follows:

Our Vision is quality and choice in end-of-life care and bereavement support, easily accessed by everyone in the Wyre Forest who needs it.

Our Mission:

- To ensure the people we support are at the heart of all we do.
- To care for individuals living with life limiting conditions and provide practical support to the people who matter to them.
- To support children and adults who have experienced bereavement, helping them to find their new normal.
- To fundraise so that we can continue to provide our services free of charge.
- Together our staff and volunteers carry out our work in partnership with providers, businesses, groups, and individuals in our local community.

Our Values:

Positive; Respectful; Professional, Compassionate; Inclusive and Trustworthy

Our Activities

KEMP Hospice provides free specialist care for people affected by life limiting illness and gives support to those who have been bereaved in the Wyre Forest (Worcestershire) and surrounding areas. Our expert and compassionate care and support is provided not only for the patient but also for their carers and wider family, including children and young people.

Provided by a team of dedicated staff and over 200 volunteers all our support is free to access and with our hospice users facing a wide range of life limiting illnesses and conditions, we place great

importance on taking a holistic view of patient care to deliver everything in response to the specific needs of an individual and their family. Our services include:

- *The Wyre Forest's only specialist, nurse-supported Day Hospice* – combining clinical care with a range of therapies including Complementary, Creative and Occupational therapies as well as our Exercise and Wellbeing Service to support patients' physical and emotional wellbeing;
- *Support services provided in the home* – including occupational therapy, physiotherapy and respite services for carers of patients with life limiting conditions, who are nearing the end of their lives;
- *Counselling and emotional support for young people* – a special service which supports children and young people aged 5–17 years in circumstances where someone close to them has a life-limiting condition or has died through counselling and group activity days;
- *Bereavement support for adults* – our trained counsellors support individuals dealing with the illness or loss of a loved one, giving them a safe place to share their feelings, manage their grief and help build a future life;
- *Welfare & Financial Advice* – Living with a life limiting illness brings many practical and financial concerns with it, and we offer advice, information and representation with regard to a range of issues, including: benefits, housing, employment, debt and relationship problems;
- *Spiritual Care* – KEMP Hospice welcomes people of all faiths and of none. Our team of staff and volunteers offer care and support by spending time with patients: by listening to them, through music, spiritual creativity, reflection, or prayer.

We are proud to work closely with the Community Specialist Palliative Care Team and the Wyre Forest Palliative Care Consultant, to ensure the care being provided to patients is as streamlined and comprehensive as possible. Additionally, we facilitate a heart failure clinic once every two months and Worcestershire Health and Care Trust operate a Lymphedema outpatient clinic every Thursday from one of our treatment rooms.

Achievements and performance 2021 /22

Throughout the pandemic KEMP Hospice has continued to adapt and remain responsive ensuring that patients, clients, and carers have continued to receive support and specialist input.

We have clear objectives set out for each of our strategic plans, which are based on consolidation and sustainability, rather than expansion, and our aims reflect our desire to tangibly improve every area of our business, to be the very best that we can be, for all those who need us, and to keep our patients and clients at the heart of everything we do. We base all our activities, measure performance and plan business objectives around our 5 aims:

Trustees' annual report

For the year ended 31 March 2022

- We provide exceptional care and support
- We are the Wyre Forest Hospice
- We are a great place to work and volunteer
- We fundraise, now and for the future
- We operate responsibly

KEMP continued to monitor performance against a set of operational goals designed for the response to the pandemic. This allowed Trustees to monitor data as to how the pandemic was impacting upon each of our service areas. Due to both an unprecedented and constantly changing situation, there were neither fixed targets set in advance nor comparisons to prior years.

Service provision

The pandemic has provided the opportunity to review our service provision model. KEMP previously provided care and support which centred around the Patient attending on a regular set day. Following workshops held with staff and service user feedback we reopened our services in June 2021 with a model which focuses on inclusivity, the individuals need and an agreed plan of care and support with the patient and client.

In June 2021, KEMP Hospice reopened our doors initially bringing patients and clients back on site for 1:1 support and clinics. The Care Services Team continued to provide the Virtual Day Hospice Living Well & Well-being programme as well as outreaching into patients' homes.

The Family Support & Bereavement Services Team continued to predominately work remotely and support clients via telephone or video counselling. Where this was inappropriate i.e., clients who have visual or sensory or other additional needs, or do not have a private space within their home, were seen at the Hospice.

The Children's and Young People counsellors commenced outreach sessions into schools. As above, if inappropriate, could be offered sessions at the Hospice.

The provision of meal delivery to the most vulnerable patients stopped at the end of May 2021; patients were signposted to other services if they required ongoing provision. This was so we could provide catering provision for patients, clients, and visitors onsite.

Respite in patients' home (Previously called KEMP for Carers) was reviewed and changed to a more bespoke model which addresses individual's needs. Respite was still provided for situations such as carer breakdown.

From September 2021, we increased our provision onsite for patients, clients, and carers. Groups Onsite include Relaxation, Breathlessness and Fatigue Management, Tai Chi, Falls Prevention, Creative/Diversional therapy, and a Carer's Programme.

In December 2021 KEMP started a Monthly MDT meeting. These meetings have enabled collaborative working internally and externally ensuring a person-centred approach improving quality and continuity of care for patients. With core member representation from the KEMP Hospice Care Services and Family Support & Bereavement Services Teams, Community Specialist Palliative Care CNS, Consultant Palliative Medicine, and optional external attendance for individual patients / clients from health & social care professionals. The MDT recommendations and outcomes are communicated to the patient, patients GP and invited professionals.

Additional Key Highlights / Developments in Services 2021–22

- Children's Memory Day at Boundless Outdoors, Belbroughton.
- Children's and Young Persons Counsellor trained on using Minecraft within counselling sessions with bereaved children.
- BBC Children in Need filmed two young people who had received counselling at KEMP Hospice and interviewed KEMP Hospices' Family Support & Bereavement Service Manager.
- Exercise and Wellbeing Practitioner joined the team in November 2021, and they have been pivotal in developing our exercise and living well provision.
- Adult counsellors started Children's and Young Persons Counselling training Level 5 and are working with Children & Young People.
- In January 2022 an External Service Review of KEMP Hospice Services was commissioned by KEMP Hospice to provide a service analysis for the delivery of End-of-Life Care (EoLC) and provide recommendations to ensure EoLC is delivered to the highest quality and best practice.
- The Care Quality Commission (CQC) framework was adopted for this review to benchmark services against best practice. The report provided recommendations for future development.
- Also in January, an Outreach Nurse Specialist for Care Homes was appointed to build on the work previously led by the Advanced Care Planning Practitioner who left the post in June 2021. This role's focus is on improving and supporting end of life care within care homes, supporting ReSPECT, Advanced Care Planning, providing education and training.

We received 118 new referrals (77 2020/21) to our Care Services in 2021/22. Our Finance and Welfare Officer received requests for support from 285 individuals (233 2020/21).

We received 327 referrals (245 2020/21) for support for bereaved adults and 149 (91 2020/21) for children and young people. We have felt a significant increase in demand over the year as well as the referrals being more complex in nature. 2609 counselling sessions (1256 2020/21) have been delivered across the year, either by phone, face to face or virtual.

Heidi Hawkins, CEO left KEMP at the end of March 2021, relocating to be nearer to family and taking up another Hospice CEO post. We are extremely grateful to Heidi for the service and dedication she has given in the last five years.



Some feedback from those who have used our services this year

'I am so grateful for the help KEMP has given our family in the last few years. My father came into the hospice once a week for day visits which were a real lifeline for us as a family. Not only did my father enjoy these visits, but they also gave my mum and I a badly needed regular break from looking after his advanced Parkinson's. KEMP also provided me with regular counselling sessions. I found these sessions incredibly beneficial. As my income was low at the time and I was living off carers allowance I don't think I could have afforded to pay for a private counsellor, so KEMP'S support really helped me out through an incredibly challenging time. I have been able to justify my feelings and allow myself time. It has helped to be able to refer to some different approaches to grief and not be so hard on myself. '

Parkinson's Patient - 'I have found the exercises suggested by the Complementary Therapist very beneficial and have been practising at home.'

Carer - 'It was a good way to get to know the others in the group and realise what problems we all face daily.'

ReSPECT Discussion Care Home: I found consult sensitive and informative. The level of care and professionalism was outstanding

Carer - 'It is very useful to hear about all the information given to the group. Today's session about occupational therapy was very inciteful. There is plenty of time to ask questions around the subject, the nursing team appear to have the answers or where to obtain the information. It is good to be able to chat to others and hear their stories and struggles, the group can share knowledge and experiences.'

'I would absolutely recommend this course - we can talk in front of each other, listening, crying, laughing, just venting for the few hours. I can't thank all the staff enough for the hard work, caring and dedication they have shown to each one of us who attended the course.'

'When I first met to discuss my situation, prior to COVID-19, your Finance & Welfare Officer was very helpful, supportive, and encouraging with applying for help. Once lockdown began, she continued to support by telephone, advising, but always allowing me to make my own choices. The support that my husband and I have received has been outstanding; it was constructive, helpful in a caring way, person centred. '

oOo

A very important part of the work we do here at KEMP, is the Welfare and Financial Advice we offer. This includes practical advice, information, and representation as needed, and is available for KEMP patients, their carers and close family members. One such example is Shirley, who

contacted us last year hoping for some financial advice following the sad death of her daughter Tracy in August 2021. Shirley says:

"My daughter Tracy had supported me for a number of years by taking responsibility for my financial matters after my husband, her father had passed away. She took care of all my household finances such as utility bills and bank accounts"

Following Tracy's death, Shirley was contacted by numerous agencies and creditors demanding repayment of several outstanding debts. As she had happily left all financial matters with her daughter, Shirley was unsure of what these agencies were asking for and needed help to understand the situation.

Shirley continues "I was familiar with KEMP already as my daughter had received care and support as a patient herself. I needed help to understand the situation, so contacted Anne to see if she would be able to help me".

Anne said, "After investigating the situation and carrying out several negotiations on Shirley's behalf over several months, I was able to find a resolution for her. All the claims Shirley had been contacted about have been either successfully repaid, written off, or contested" Anne continued by saying "One of the most satisfying outcomes from Shirley's story is that she no longer has to deal with any worry or confusion about her finances. After losing her beloved daughter, Shirley was facing a great deal of pressure from a very difficult situation, so to know that she is now financially independent is wonderful"

Speaking about the support Shirley received she said, "When my daughter passed away, I couldn't cope with anything as Tracy dealt with all the paperwork. Anne has been marvellous, and not only did she help me with everything, but she also gave me the confidence to help myself."

oOo

Income

- KEMP Hospice has a varied portfolio of fundraising initiatives. This ensures that supporters have a wide range of ways in which to engage with the charity and minimises the risk of becoming dependent on any one fundraising activity.
- KEMP Hospice is registered with the Fundraising Regulator. We adhere to and maintain the standards set out by the regulator, ensuring our fundraising is legal, open, honest, and respectful to the public. Furthermore, we are committed to adhering to the Institute of Fundraising Code of Fundraising Practice and the specific guidance on treating donors fairly (through Respect, Fairness, Accountable, Responsive) in all our fundraising activities, ensuring that we protect vulnerable people. We received no complaints in relation to our fundraising activities during the year.
- We are fortunate to have strong community support and benefit from a number of third-party events. Our dedicated Community Fundraiser and wider fundraising team supports all events we are aware of, and ensures regulations are being adhered to.
- We are part of Your Hospice Lottery, which is owned and administered by St Helena Hospice and specifically operates to raise funds for hospice care. Canvassers are employed by Your Hospice Lottery but engage with KEMP as part of their induction. These fundraisers engage with the public at external venues, events, and by carrying out door to door activity. They are not permitted to carry out these activities without identification, are highly trained, and never collect or accept money. Neither do they pursue individuals who have made it clear they do not wish to engage.
- We have a Donations Centre in Kidderminster and operate 6 retail charity shops across Kidderminster, Stourport and Bewdley as well as our own online eBay shop.

There are some notable achievements for our income within this financial year, despite the continuing challenges due to Covid and the economic uncertainties:

- We appointed a full-time experienced Fundraiser in June 2021 which completed our Fundraising Team.
- Following a year of lockdowns and the resulting reduced income of £328,961 from our charity shops in 2020/21 we are delighted to report an income of £694,383 for 2021/22.
- Once again, we have seen marked growth this year in our Lottery income due to the efforts of the Your Hospice Lottery team in telephone canvassing through the year, which has resulted in our Lottery income increasing from £35,343 in 2020/21 to £53,883.
- We were delighted to achieve an income of £123,646 this year from Charitable Trusts, a slight increase on the previous year's income of £122,538. We would like to thank the following Trusts and Foundations for their support:
 - Albright Grimley Charity
 - The Ardwick Trust
 - The Arnold Clark Community Fund
 - Baron Davenports Charity
 - BBC Children in Need
 - The Blakemore Foundation
 - The Burford Trust
 - Coutts & Co.

- The David & Christine Lloyd-Jones Foundation
- The DMF Ellis Charitable Trust
- Elise Pilkington Charitable Trust
- The Eric W Vincent Trust Fund
- The Eveson Charitable Trust
- Francis Winham Foundation
- The George Henry Collins Charity
- GJW Turner Trust
- The Grimmitt Trust
- The Heathcock Charitable Trust
- Hospice Aid UK
- The Hospital Saturday Fund
- The J A Gillett Charitable Trust
- The Kildare Trust
- Lasletts Hinton Charity
- Lillie Johnson Charitable Trust
- The Mark Benevolent Fund
- Masonic Charitable Foundation
- The Michael & Anna Wix Charitable Trust
- Midcounties Co-Operative Community Team
- The M.K. Rose Charitable Trust
- The Roger & Douglas Turner Charitable Trust
- The Rowlands Trust
- Shakespeare Martineau
- The Sir Jules Thorn Charitable Trust
- The Uncle Bill Trust
- West Mercia Police Civilian Welfare Fund
- The W E D Charitable
- Worcestershire Community Foundation
- Special grateful thanks go to the Trustees of KEMP House Trust, who supported us in this financial year with funding of £435,099 towards us adapting and continuing to provide our vital services through Covid.
- Please see our 'Financial Review' section on page 11.

Sincere Thanks

The flexible approach and dedication to ensuring the people who need our services continued to be cared for and supported throughout this year would not have been possible without the dedication of our hardworking staff along with the very many willing volunteers who give freely of their time and talents and we would like to take this opportunity to thank them all for their efforts.

At the end of the financial year we are fortunate to have an incredible 210 individuals volunteering their time across our charity within Retail; Fundraising; Finance; Care and Bereavement Services; and

on our Board of Trustees. In total an incredible 25,779 hours of time, commitment, hard work and skills were shared to help us in delivering our work.

Financial review

Our total income for the year was £2,021,740 (2021: £2,154,186) with a net surplus of £379,780 (2021: £656,500). All our income is used to support in the delivery of services to our patients and clients.

Income

We are grateful for the various government initiated financial support streams which helped us to retain our staff by accessing the furlough option, as well as the Restart Grant which contributed to our Trading income and allowed us to reopen safely, resulting in an income from our Trading activities of £751,266 (2021: £366,356).

So too we are thankful to Hospice UK for working with the government to secure funding which hospices were able to access in exchange for supporting the NHS in the Covid response. KEMP Hospice received a total of £61,320 (2021: £274,386), enabling us to keep all our service team members working and providing vital care and support throughout the Omicron variant.

We received annual funding in the form of a grant agreement from Herefordshire and Worcestershire Clinical Commissioning Group (CCG) totalling £286,113 (2021: £316,094).

Expenditure

Our total expenditure in 2021/22 was £1,641,960 (2021: £1,497,686) and contribution split can be seen below. The previous year had seen a strict review and pause on non-essential spending, however spending in the financial year increased nearer to pre pandemic levels as staffing costs and expenditure increased to support the return of services as the lockdowns ceased.

Our fundraising and retail expenditure directly supports our income generation for the charity and this was increased in this financial year at £911,060 (2021: £777,190) to reflect the return to normal operational activities.

Total funds held at the end of the financial year were £2,639,829 (2021: £2,260,049), of which £597,614 (2021: £604,614) is restricted to support the fixed assets which are essential for our charitable activities.

Risk Management

We have a risk policy and register to enable the identification, monitoring and management of controls to mitigate risks. The Senior Team and Board of Trustees consider risks on a quarterly basis.

The key strategic risks are:

- ✚ **We are unable to fulfil our 5 year plans for income generation growth.** We have skilled and experienced staff and trustees in key roles. As well as quarterly income and financial scrutiny, our income and expenditure is reviewed on a monthly basis. Our governance and operating structure is such that any responsive changes deemed necessary to support our income strategy could be agreed quickly.
- ✚ **Changing social attitudes may reduce the pool of people who will enable us to fulfil our planned recruitment of volunteers.** We mitigate this risk by nurturing relationships with organisations and individuals who can support us in facilitating recruitment of potential volunteers, as well as exploring ways to taking a collaborative approach to volunteer attraction and recruitment with other hospices and charities.
- ✚ **Competing with Agenda for Change pay and reward packages could affect our recruitment of health and social care colleagues.** As well as an emphasis on communicating our culture and carrying out regular benchmarking activities, we are committed to building on strong recruitment and employment foundations to ensure people who work with us are engaged and valued.
- ✚ **Uncertainties in commissioning structure and priorities could threaten our model of care.** We maintain effective, open relationships with our commissioners and ensure all reporting requirements are met.
- ✚ **Catastrophic reputational impact of significant detrimental regulatory occurrence.** Risks to every area of our operations are reviewed, monitored and escalated as a minimum quarterly by the Senior Team, through each respective sub committee and onto full Board. We have a communications plan in place and key personnel would be alerted to any potential reputational threats.

Our strategy, experienced team and spread of income streams means we are not reliant on one source of income. Our governance and operating model is such that any responsive changes to income strategy could be agreed within a short time period.

Risk and Compliance

As a company and charity providing regulated and commissioned services, we follow codes of ethics and practice in our services and fundraising activities; we take our regulatory responsibilities seriously and work to protect our reputation and credibility as a professional organisation.

- We are thankful that we had no reportable incidents throughout the financial year. This applies to the Fundraising Regulator, CQC, ICO and Charity Commission.
- We had no CQC visit in this financial year, although our Head of Hospice Services and Care Services Manager took part in a virtual engagement meeting with our Inspector on 7th August and updated on our changes in service delivery. There were no concerns raised.
- We continue to review all clinical policies and procedures, as well as ensuring a focus on the CQC Key Lines of Enquiry, in anticipation of a visit in the forthcoming year.

Trustees' annual report

For the year ended 31 March 2022

- All mandatory training has been carried out in line with our plans for the year and we have reviewed and updated our mandatory training matrix as part of the People policies review.
- We continue to enjoy open and supportive relationships and provide extensive reports to our Clinical Commissioning Group Quality and Contract officers.

Reserves policy and going concern

The trustees have examined the charity's requirements for reserves considering the main risks as listed above to the organisation, including assessed projected future income, expenditure and cashflows.

The Trustees believe the Charity's financial resources and contingency planning is sufficient to ensure the continuation of the Charity as a going concern for the foreseeable future. Consequently, the financial statements have been prepared on this basis.

A reserves policy is established to ensure the Charity has the financial capacity needed to safeguard the provision of vital services to patients and carers from the adverse financial effects of significant and unforeseen changes in income and expenditure.

The boards target policy for available reserves are that the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least 6 months of the anticipated expenditure. The Charity is a going concern, and the Board of Trustees fully intend to see this continue long into the future. Should this not be possible, available reserves would assist the Charity in honouring its commitments to patients and carers, employees, supporters and creditors as it scales back operations.

At the end of the financial year unrestricted free reserves for the Charity were £1,626,148 (2021: £1,408,854), which is 15 months of the anticipated expenditure and representative of the desired reserves position.

Available reserves are calculated in accordance with the Charity Commission guidance as follows:

	£
Total Reserves	2,639,829
Less	
Restricted Reserves	(597,614)
Designated funds – Capital projects	(412,067)
Designated funds – Wellbeing	(4,000)
Available unrestricted reserves	1,626,148

The board manages financial risks, such as income or cost fluctuation by regularly reviewing our financial plans and income pipelines.

Plans for the future

KEMP Hospice we will be working towards the following:

- Improving collaboration and sharing of patient clinical information and care plans. In 2022–23 KEMP will be moving from SystemOne to EMIS electronic records in line with the Health & Care Trust, GP's, and Community Specialist Palliative Care Team. 0
- Develop further our Nursing provision; employ a Clinical Nurse specialist (CNS) to develop our nursing provision at KEMP; and a new Health Care Assistant role (HCA). The Nursing team will deliver Specialist Clinics and Outreach into the Community assessing KEMP Hospice patients holistically including pain and symptom control, earlier advanced care planning and ReSPECT discussions.

We envisage this role and service would develop to be able to provide one stop clinics supported by other members of the KEMP MDT for patients with a palliative diagnosis but reaching them earlier in their trajectory of illness, long term conditions including those living with Frailty and Dementia. This would address unmet needs and offer assessment, advanced care planning discussions, signposting to KEMP services including the KEMP befriending service(see below) and external services.

The CNS would be KEMP's Specialist link to the patients' Medical and Specialist teams, including their GP. Additionally, they would provide expert input at our multidisciplinary meetings and external meetings.

- Audit against and work towards achieving the building blocks within the Ambitions for Palliative Care and End of Life Care – A national framework for local action 2021–2026. Particularly the building blocks within the 5 Ambitions around Specialist Palliative Care, Education, and training – skilled workforce, equitability, and access to services.
- During 2022–23 we intend to develop a Befriending service to provide support for adults of any age living with a life limiting, long term condition, including frailty, who could be vulnerable to isolation and loneliness. Our vision is this would be open to all who fit the criteria and in time include those living in care homes or having short stays in hospital. Additionally, this would be available to support full time carers of this group of individuals, so enabling us to fulfil the original aims of KEMP for Carers, which we very much still believe in. This will be delivered by trained and matched volunteers to the individual's needs who wish to receive KEMP's support.
- Key staff to be trained in the "No Barriers Here" which is a model that adopts a public health approach to palliative care and advance care planning, working alongside communities who experience systematic differences and inequity accessing palliative care services. We would envisage this will allow KEMP; to develop our services; to reach out and address inequalities, using art-based approach to create alternative approach to advanced care planning.
- Following the success of using Minecraft as a tool to use when counselling Children & Young People. In 2022–23 we plan to train all our Children's counsellors to use Minecraft. Minecraft is a cross between Lego and a sand tray. These are often used in Children's counselling to allow children to process and express their feelings.
- Review our hospice facilities including the building and garden, to prioritise and improve the patient and client provision as well as upgrading our staff and volunteer facilities to promote and improve well-being.

- Not unexpectedly this year will be about recovery and maximising every opportunity for income generation across our Fundraising & Communications department and through our Trading activities.

Structure, Governance and Management

KEMP Hospice is a charitable company limited by guarantee, incorporated on 14 November 2011 and registered as a charity on 9 March 2012.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The company name was changed from KEMP House Trust Ltd to KEMP Hospice on 13th October 2022.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Our Group Structure

The group comprises the Trust and its wholly owned subsidiary KEMP House Trust (Hospice Shop) Limited. The group produces consolidated accounts that include the result of both entities.

KEMP House Trust (Hospice Shop) Limited is a wholly owned trading subsidiary. Its purpose is to generate income to support the Charity's objectives by selling donated and new goods at a profit in a network of shops. The trading company acts as the Trust's agent for an HMRC approved Gift Aid scheme for donated goods. It transfers profits to the Charity using the HMRC Gift Aid scheme for corporate donations. Its results are set out in note 12 of these financial statements.

The Board of Trustees

KEMP Hospice trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

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

The trustees agree the strategic direction of the charity through the preparation and monitoring of a 5-year strategy. To support delivery of the strategy, an operational business plan and budget is developed annually, approved, and reviewed by the trustees. Our full strategy can be viewed by visiting our website:

Trustees' annual report

For the year ended 31 March 2022

Progress towards achieving objectives is monitored and reviewed through the respective sub-committee which are focussed on Services, Finance, Resources and Risk and Income Generation, and at full Board meetings of the trustees. Monthly management accounts and quarterly reports by the Chief Executive and departmental managers are provided.

Day-to-day responsibility for the management of the charity is delegated to a senior management team of six, comprising: Chief Executive Officer, Caroline Beech; Head of Finance, Rachel Paget; Head of Fundraising & Communications, Charlie Homer; Head of Hospice Services, Laurey Grennall; Head of People, Andy Stanney and Head of Retail, Gary Barnes. The senior management team meet fortnightly to discuss both strategic and operational matters.

The trustees consider that they have complied with their duty in Section 17(5) of the Charities Act 2011 and have referred to the guidance provided by the Charity Commission on public benefit when reviewing the charity's aims and objectives.

The Board of Trustees have embraced the Charity Governance Code, carrying out a self-assessment and have identified two key areas of focus: how the charity can demonstrate not only our financial/economic sustainability, but also our ecological and environmental impact in all our operations and how the organisation can embed Equality, Diversity and Inclusion within our culture and across all operations, including within the Board itself.

Appointment of trustees

KEMP Hospice recruits trustees based on a number of factors including, but not limited to, the need for a particular skill, a mix of backgrounds, experiences and considering a range of dynamics. The charity utilises social media to promote trustee vacancies, as well as charity and individual networks. A comprehensive structured recruitment process includes formal interview, time spent with a range of the charity personnel, and attendance at two Board meetings. The existing trustees then vote to appoint.

Within this financial year the Board appointed Geoff Taylor Smith to the role of Chair following Alison Field's resignation on 30th June 2021. Katherine Ellis and Suzanne Beattie were also appointed as trustees with the year.

The following committees remain unchanged throughout the year; Patient Services and MAGIC (Marketing and Generation of Income Committee); however Finance & Resources and Risk & Compliance Committees were combined to become the Finance, Resource and Risk Committee. Meetings often include an element of training.

None of the trustees are remunerated.

Related parties and relationships with other organisations

KEMP House Trust is a separate registered charity, governed by a Trust Deed, which manages an investment portfolio and whose principal objective is to support the activities of KEMP Hospice, on provision of a costed business case which demonstrates the benefits to the beneficiaries of the hospice services.

During the year ending March 2022 there were four trustees, who meet quarterly and manage and oversee the investment portfolio with the professional advice of Investec Wealth and Investment Ltd. who visit the hospice twice a year and provide regular written reports to the board.

KEMP House Trust (Hospice Shop Ltd): The Trading Company is a wholly owned subsidiary of the Hospice. There were three directors serving during the year who have accountability for retail activities. The Hospice Chief Executive has ultimate responsibility for the management of the Hospice and Trading Company. All three of the current directors are hospice Trustees. The Head of Retail and Head of Finance attend the Board meetings, which are held quarterly.

The directors had previously decided to transfer the activities, assets and liabilities to the parent charity and then liquidate the company, however after reviewing the organisational structure they have made the decision to keep the company operational. The work to negotiate lease terms and conditions has taken much longer than anticipated, however this work continues.

Statement of responsibilities of the trustees

The trustees (who are also directors of KEMP House Trust Ltd for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- ✚ Select suitable accounting policies and then apply them consistently
- ✚ Observe the methods and principles in the Charities SORP
- ✚ Make judgements and estimates that are reasonable and prudent
- ✚ State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- ✚ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

Trustees' annual report

For the year ended 31 March 2022

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and 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 auditor is unaware
- ✚ 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 auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 8 (2021: 6). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 29 November 2022 and signed on their behalf by

Geoff Taylor-Smith
Chair

Independent auditor's report

To the members of

KEMP House Trust Limited

Opinion

We have audited the financial statements of KEMP House Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance and income committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

KEMP House Trust Limited

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

KEMP House Trust Limited

Use of our report

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

Fleur Holden (Senior statutory auditor)

8 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies	2	796,389	33,132	829,521	718,381	30,588	748,969
Charitable activities							
Hospice services	3	295,003	61,320	356,323	368,817	274,386	643,203
Education income	3	1,391	–	1,391	–	–	–
Other trading activities							
Charity shop income		694,383	–	694,383	328,961	–	328,961
Management charges		3,000	–	3,000	2,052	–	2,052
Lottery income		53,883	–	53,883	35,343	–	35,343
Other income							
Coronavirus Job Retention Scheme		8,106	–	8,106	140,527	–	140,527
Retail, Hospitality & Leisure Grants		27,335	–	27,335	197,441	–	197,441
Retail Business Interruption Insurance		23,539	–	23,539	56,364	–	56,364
Kickstart		22,746	–	22,746	–	–	–
Investments		1,513	–	1,513	1,327	–	1,327
Total income		1,927,288	94,452	2,021,740	1,849,212	304,974	2,154,186
Expenditure on:							
Raising funds	5						
Fundraising costs		313,747	–	313,747	263,158	–	263,158
Charity shop costs		599,264	–	599,264	514,032	–	514,032
Charitable activities							
Hospice services	5	629,447	101,452	730,899	381,193	330,179	711,372
Tax payable by subsidiaries	12	–	–	–	9,124	–	9,124
Total expenditure		1,542,458	101,452	1,643,910	1,167,508	330,179	1,497,686
Net income / (expenditure) for the year	6	384,829	(7,000)	377,829	681,705	(25,206)	656,500
Transfers between funds		–	–	–	–	–	–
Net movement in funds		384,829	(7,000)	377,829	681,705	(25,206)	656,500
Reconciliation of funds:							
Total funds brought forward		1,655,435	604,614	2,260,049	973,730	629,819	1,603,549
Total funds carried forward		2,040,264	597,614	2,637,878	1,655,435	604,614	2,260,049

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18a to the financial statements.

Balance sheets

Company no. 07846810

As at 31 March 2022

		The group		The charity	
	Note	2022	2021	2022	2021
		£	£	£	£
Fixed assets:					
Tangible assets	11	689,900	713,914	672,159	699,156
Investments	12	–	–	5,002	5,002
		689,900	713,914	677,161	704,158
Current assets:					
Stock	14	26	2,579	–	–
Debtors	15	755,835	384,080	1,215,479	685,165
Cash at bank and in hand		1,392,699	1,241,625	902,020	996,308
		2,148,560	1,628,284	2,117,499	1,681,473
Liabilities:					
Creditors: amounts falling due within one year	16	(200,582)	(82,149)	(156,782)	(34,364)
Net current assets		1,947,978	1,546,135	1,960,717	1,647,109
Total assets less current liabilities		2,637,878	2,260,049	2,637,878	2,351,268
Total net assets		2,637,878	2,260,049	2,637,878	2,351,268
Funds:	18a				
Restricted income funds		597,614	604,614	597,614	604,614
Unrestricted income funds:					
Designated funds		416,067	337,800	416,067	337,800
General funds		1,624,197	1,317,635	1,624,197	1,408,854
Total funds		2,637,878	2,260,049	2,637,878	2,351,268

Approved by the trustees on 29 November 2022 and signed on their behalf by

Geoff Taylor-Smith
ChairJanet Rowe
Trustee

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)		379,780		656,500	
Depreciation charges		72,817		63,127	
Loss on disposal of fixed assets		–		1,558	
Interest from investments		(1,513)		(1,327)	
(Increase)/decrease in stocks		2,553		2,634	
(Increase)/decrease in debtors		(371,755)		(9,919)	
Increase/(decrease) in creditors		116,482		(16,755)	
Net cash provided by operating activities			198,364		695,817
Cash flows from investing activities:					
Interest received		1,513		1,327	
Purchase of fixed assets		(48,803)		(27,773)	
Net cash provided used in investing activities			(47,290)		(26,446)
Change in cash and cash equivalents in the year			151,074		669,371
Cash and cash equivalents at the beginning of the year			1,241,625		572,254
Cash and cash equivalents at the end of the year			1,392,699		1,241,625

Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,241,625	151,074	1,392,699
Total cash and cash equivalents	1,241,625	151,074	1,392,699

1 Accounting policies

a) Statutory information

KEMP House Trust Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 41 Mason Road, Kidderminster, Worcestershire, DY11 6AG.

b) Basis of preparation

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

These financial statements consolidate the results of the charity and its wholly-owned subsidiary KEMP House Trust (Hospice Shop) Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as a summary of the result for the year is disclosed in the notes to the accounts.

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

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

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

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Further information in relation to the trustees' appraisal of going concern is included in the trustees' annual report.

There are no key judgements that the charity has made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

In the prior year, the directors approved the decision to liquidate the company as the premises leases and trading activity would be transferred to the parent company (KEMP Hospice, formerly KEMP House Trust Limited). The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur, they plan to keep this company open for other trading purposes.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are

f) **Donations of gifts, services and facilities**

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

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

g) **Retail, Hospitality and Leisure Grants**

The trading subsidiary has received a Retail, Hospitality and Leisure Grant from the local authority for each shop. The grants were received and were recognised in the financial year ending 31 March 2021 based on an entitlement date of 1 April 2020 as per the guidance issued by the Department for Business, Energy and Industrial Strategy.

h) **Interest receivable**

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

i) **Fund accounting**

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

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

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

j) **Expenditure and irrecoverable VAT**

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

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, grants and legacies and costs of trading activities including the costs of goods sold, shop costs and their associated support costs
- Expenditure on charitable activities includes the costs of providing specialist palliative care and support and the costs of community services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) **Allocation of support costs**

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the hospice's charitable, income generating and governance activities to be undertaken.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|-------------------------|-----|
| ● Cost of raising funds | 34% |
| ● Hospice services | 66% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

l) Operating leases

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

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

● Leasehold land & buildings	4% straight line and 99 years
● Leasehold property improvements	5 years
● Motor vehicles	4 years
● Office equipment	3 years
● Furniture & equipment	3 years and 25% reducing balance

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

p) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Cash at bank and in hand

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

r) Creditors and provisions

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

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

t) Pensions

Pension contributions to the group personal pension plan are charged against income when payable.

Notes to the financial statements

For the year ended 31 March 2022

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
General donations	24,558	–	24,558	29,795	–	29,795
Gift aid	56,809	–	56,809	26,593	–	26,593
In memoriam	28,883	–	28,883	19,474	–	19,474
Grants from KEMP House Trust	435,099	–	435,099	357,019	–	357,019
Other charitable trusts	97,416	26,230	123,646	91,950	30,588	122,538
Legacies	7,197	6,902	14,099	55,500	–	55,500
Corporate income	18,775	–	18,775	43,108	–	43,108
Fundraising income	127,652	–	127,652	94,942	–	94,942
	796,389	33,132	829,521	718,381	30,588	748,969

Fundraising income includes events, raffle, community fundraising and donations.

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
CCG grant	286,113	–	286,113	361,094	–	361,094
Hospice UK Income	–	61,320	61,320	–	274,386	274,386
Other income	8,890	–	8,890	7,723	–	7,723
Sub-total for Hospice services	295,003	61,320	356,323	368,817	274,386	643,203
Education income	1,391	–	1,391	–	–	–
Sub-total for Education	1,391	–	1,391	–	–	–
Total income from charitable activities	296,394	61,320	357,714	368,817	274,386	643,203

Education income is for medical student palliative care placements.

Notes to the financial statements

For the year ended 31 March 2022

5a Analysis of expenditure (current year)

			Charitable activities				
	Raising funds	Charity shop	Hospice	Governance	Support	2022	2021
	£	costs	services & Education £	costs £	costs £	Total £	Total £
Staff costs (Note 7)	121,357	308,590	430,676	-	237,953	1,098,576	995,342
Fundraising costs	29,183	-	-	-	-	29,183	17,034
Hospice events	9,387	-	-	-	-	9,387	5,267
Hospice care	-	-	16,889	-	-	16,889	20,127
Community fundraising	2,588	-	-	-	-	2,588	1,279
Corporate costs	14,868	-	-	-	-	14,868	13,424
Spiritual care	-	-	83	-	-	83	80
Volunteer costs	-	-	-	110	84	194	210
Catering	-	-	3,688	-	-	3,688	8,985
ACP costs	-	-	258	-	-	258	889
Running costs	-	290,674	-	-	-	290,674	241,829
Comms and marketing	391	-	-	92	6,680	7,164	6,962
Operations	-	-	-	852	-	852	44,455
Building costs	-	-	-	-	91,999	91,999	78,413
IT costs	1,587	-	698	-	29,996	32,281	26,923
Training	316	-	7,917	540	4,937	13,710	5,190
Professional fees	-	-	2,550	7,047	6,344	15,941	10,708
Audit fee	-	-	-	15,575	-	15,575	11,445
	179,677	599,264	462,759	24,216	377,994	1,643,910	1,488,562
Support costs	125,998	-	251,996	-	(377,994)	-	-
Governance costs	8,072	-	16,144	(24,216)	-	-	-
Total expenditure 2022	313,747	599,264	730,899	-	-	1,643,910	
Total expenditure 2021	263,158	514,032	711,372	-	-		1,488,562

5b Analysis of expenditure (prior year)

			Charitable activities			
	Raising funds	Charity shop	Hospice services & Education	Governance	Support costs	2021
	£	costs	£	costs	£	Total
				£		£
Staff costs (Note 7)	87,663	273,664	418,900	-	215,115	995,342
Fundraising costs	17,034	-	-	-	-	17,034
Hospice events	5,267	-	-	-	-	5,267
Hospice care	-	-	20,127	-	-	20,127
Community fundraising	1,279	-	-	-	-	1,279
Corporate costs	13,424	-	-	-	-	13,424
Spiritual care	-	-	80	-	-	80
Volunteer costs	-	-	-	210	-	210
Catering	-	-	8,985	-	-	8,985
ACP costs	-	-	889	-	-	889
Running costs	-	240,368	-	1,461	-	241,829
Comms and marketing	-	-	-	-	6,962	6,962
Operations	-	-	-	-	44,455	44,455
Building costs	-	-	-	-	78,413	78,413
IT costs	4,096	-	998	-	21,829	26,923
Training	1,101	-	2,643	167	1,280	5,190
Professional fees	-	-	-	7,761	2,947	10,708
Audit fee	-	-	-	11,445	-	11,445
	129,863	514,032	452,623	21,043	371,001	1,488,562
Support costs	126,140	-	244,861	-	(371,001)	-
Governance costs	7,155	-	13,889	(21,043)	-	-
Total expenditure 2021	263,158	514,032	711,372	-	-	1,488,562
Total expenditure 2020	338,871	599,834	763,463	-	-	-

Notes to the financial statements

For the year ended 31 March 2022

6 Net income / (expenditure) for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	72,817	63,127
Loss on disposal of fixed assets	–	1,558
Operating lease rentals:		
Property	94,301	81,758
Equipment	380	5,600
Auditor's remuneration (excluding VAT):		
Audit	12,050	11,445
Other services	1,600	2,355
	<u>1,098,576</u>	<u>995,343</u>

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	991,424	903,508
Social security costs	76,448	65,165
Employer's contribution to defined contribution pension schemes	30,704	26,670
	<u>1,098,576</u>	<u>995,343</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £317,035 (2021: £279,439).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

No charity trustee received expenses for the payment or reimbursement of travel and subsistence costs (2021: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 53 (2021: 55).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2022 No.	2021 No.
Raising funds	3.6	2.0
Management and administration	6.7	6.5
Retail	14.3	12.2
Support	13.3	14.2
Governance	0.5	0.5
	<u>38.4</u>	<u>35.4</u>

Notes to the financial statements

For the year ended 31 March 2022

9 Related party transactions

During the financial year ended 31 March 2021, KEMP House Trust (Hospice Shop) Ltd made sales of donated goods on behalf of the hospice to the value of £180,822 (2021: £45,966).

At 31 March 2022 KEMP House Trust (Hospice Shop) Ltd owed KEMP House Trust Ltd £577,944 (2021: £264,238).

KEMP House Trust Limited received grants of £435,099 (2021: £357,019) from KEMP House Trust, of which £435,099 (2021: £76,005) was outstanding at year end.

Aggregate donations from related parties were £300 (2021: £1,436).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary KEMP House Trust (Hospice Shop) Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2022 £	2021 £
UK corporation tax at 19%	–	9,124

11 Tangible fixed assets

The group	Leasehold buildings £	Leasehold property £	Motor vehicles £	Office equipment £	Furniture and equipment £	Total £
Cost						
At the start of the year	808,482	26,080	22,120	95,292	341,564	1,293,538
Additions in year	7,273	–	–	27,545	13,985	48,803
At the end of the year	815,755	26,080	22,120	122,837	355,549	1,342,341
Depreciation						
At the start of the year	146,769	23,174	17,454	64,652	327,576	579,624
Charge for the year	21,145	1,452	1,166	35,504	13,550	72,817
At the end of the year	167,914	24,626	18,620	100,156	341,126	652,441
Net book value						
At the end of the year	647,841	1,454	3,500	22,681	14,423	689,900
At the start of the year	661,713	2,906	4,666	30,640	13,988	713,914

The Charity	Leasehold buildings £	Office equipment £	Furniture and equipment £	Total £
Cost				
At the start of the year	808,482	92,293	313,381	1,214,156
Additions in year	7,273	22,813	8,978	39,064
At the end of the year	815,755	115,106	322,359	1,253,220
Depreciation				
At the start of the year	146,769	63,452	304,778	514,999
Charge for the year	21,145	33,957	10,960	66,062
At the end of the year	167,914	97,409	315,738	581,061
Net book value				
At the end of the year	647,841	17,697	6,621	672,159
At the start of the year	661,713	28,841	8,603	699,157

The above assets are used for the Group and Charity.

Notes to the financial statements

For the year ended 31 March 2022

12 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of KEMP House Trust (Hospice Shop) Limited, a company registered in England. The company number is 02847086. The registered office address is 41 Mason Road, Kidderminster, DY11 6AG.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

In the prior year, the directors approved the decision to liquidate the company as the premises leases and trading activity would be transferred to charity. The movement of the premises leases between the companies has been delayed and although the directors still intend for this transfer to occur, they plan to keep this company open for other trading purposes.

Shayne Taylor (resigned 30th September 2022), Alison Field and Polly Symondson are also directors of the subsidiary.

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

	2022 £	2021 £
Turnover	513,560	282,850
Cost of sales	(3,053)	(2,456)
Gross profit	510,507	280,395
Administrative expenses	(541,896)	(516,706)
Management charge payable to parent undertaking	(11,245)	(13,003)
Other operating income	73,620	352,436
Loss on ordinary activities before interest and taxation	30,986	103,122
Interest receivable and similar income	271	144
Loss on ordinary activities before taxation	31,257	103,267
Taxation on profit on ordinary activities	–	(9,124)
Profit for the financial year	31,257	94,143
Retained earnings		
Total retained earnings brought forward	(65,214)	(65,214)
Adjustment to prior year estimate on distribution	44,000	–
Profit for the financial year	31,257	94,143
Distribution under Gift Aid to parent charity	(10,043)	(94,143)
Total retained earnings carried forward	–	(65,214)
The aggregate of the assets, liabilities and reserves was:		
Assets	624,794	332,951
Liabilities	(619,792)	(393,163)
Reserves	5,002	(60,212)

Amounts owed to the parent undertaking are shown in note 16.

	2022 £	2021 £
Shares in group undertaking		
Cost at 1 April 2021 and 31 March 2022	5,002	5,002

The charity owns 100% of the share capital of KEMP House Trust (Hospice Shop) Limited.

Notes to the financial statements

For the year ended 31 March 2022

13 Parent charity

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

	2022 £	2021 £
Gross income	1,445,500	1,625,900
Result for the year	377,829	656,500

14 Stock

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Bought goods	26	2,579	-	-
	26	2,579	-	-

15 Debtors

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Trade debtors	22,431	20,055	22,431	20,055
Amounts due from subsidiary company	-	-	575,993	371,384
Amounts due from KEMP House Trust	465,187	76,004	465,117	75,738
VAT	99,980	118,989	27,252	116,644
Other debtors	-	14,797	-	1,826
Gift Aid	29,404	24,504	29,404	24,504
Prepayments and accrued income	138,833	129,732	95,282	75,015
	755,835	384,080	1,215,479	685,165

16 Creditors: amounts falling due within one year

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Trade creditors	66,603	27,982	39,491	3,214
Taxation and social security	86,748	25,922	84,797	15,042
Pension Fund	5,366	4,697	5,366	4,697
Accruals and deferred income	41,865	23,547	27,128	11,411
	200,582	82,149	156,782	34,364

17a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	111,821	578,079	-	689,900
Net current assets	1,512,376	19,535	416,067	1,947,978
Net assets at 31 March 2022	1,624,196	597,614	416,067	2,637,877

17b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	116,388	597,526	-	713,914
Net current assets	1,201,247	7,088	337,800	1,546,135
Net assets at 31 March 2021	1,317,635	604,614	337,800	2,260,049

Notes to the financial statements

For the year ended 31 March 2022

18a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	270,504	–	(15,912)	–	254,592
Freehold property at Mason Road	327,022	–	(3,535)	–	323,487
Hospice UK	–	61,320	(61,320)	–	–
BBC Children in Need – Childrens Bereavement Residential Weekend	7,088	7,230	(8,383)	–	5,935
The Kildare Trust – Garden Project	–	15,000	(1,400)	–	13,600
Legacy		6,902	(6,902)		
Francis Winham Foundation – helping the elderly in times of hardship and crisis	–	4,000	(4,000)	–	–
Total restricted funds	604,614	94,452	(101,452)	–	597,614
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	100,000	–	(1,733)	80,000	178,267
Refurbishment of hospice patient focussed rooms and general areas	105,800	–	–	–	105,800
Hospice kitchen & equipment	20,000	–	–	–	20,000
Wellbeing	4,000	–	–	–	4,000
Digital	48,000	–	–	–	48,000
Hospice roof and cellar	60,000	–	–	–	60,000
Total designated funds	337,800	–	(1,733)	80,000	416,067
General funds	1,317,635	1,927,288	(1,540,725)	(80,000)	1,624,197
Total unrestricted funds	1,655,435	1,927,288	(1,542,458)	–	2,040,265
Total funds	2,260,049	2,021,740	(1,643,910)	–	2,637,878

Designated funds are funds which the trustees have set aside for the maintenance and improvement works to the hospice building, employee wellbeing and the development of our digital strategy.

Notes to the financial statements

For the year ended 31 March 2022

18b Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	286,416	–	(15,912)	–	270,504
Freehold property at Mason Road	330,557	–	(3,535)	–	327,022
QBE European Operations Foundation – Butterfly Room adaptations	4,324	–	(4,324)	–	–
J A Gillett Charitable Trust – Nursing Services	–	–	–	–	–
Hospice UK	–	61,320	(61,320)	–	–
BBC Children in Need – Childrens Bereavement Residential Weekend	–	7,088	–	–	7,088
Brian Shaw Trust – Coronavirus Community Support Service	–	1,000	(1,000)	–	–
W A Cadbury Charitable Trust – Coronavirus Community Support Service	–	1,500	(1,500)	–	–
Western Power (Community Matters Fund) – Coronavirus Community Support Service	–	2,700	(2,700)	–	–
Worcestershire Community Foundation – Coronavirus Community Support Service	–	4,600	(4,600)	–	–
Baron Davenport's Charity – Bereavement Support (COVID response)	–	5,000	(5,000)	–	–
Blakemore Foundation – Bereavement Support (COVID response)	–	200	(200)	–	–
Laslett's (Hinton) Charity – Bereavement Support (COVID response)	–	2,500	(2,500)	–	–
Sir Jules Thorn Charitable Trust – Coronavirus Community Support Service	–	5,000	(5,000)	–	–
Hospice Aid UK – Bereavement Support (COVID response)	–	1,000	(1,000)	–	–
Eveson Charitable Trust – KEMP for Carers	8,522	–	(8,522)	–	–
Total restricted funds	629,819	91,908	(117,113)	–	604,614
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	–	–	–	100,000	100,000
Refurbishment of hospice patient focussed rooms and general areas	–	–	–	105,800	105,800
Hospice kitchen & equipment	–	–	–	20,000	20,000
Wellbeing	–	–	–	4,000	4,000
Digital	–	–	–	48,000	48,000
Hospice roof and cellar	–	–	–	60,000	60,000
Total designated funds	–	–	–	337,800	337,800
General funds	973,730	1,849,212	(1,167,508)	(337,800)	1,317,635
Total unrestricted funds	973,730	1,849,212	(1,167,508)	–	1,655,435
Total funds	1,603,549	1,941,120	(1,284,621)	–	2,260,049

19 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2022 £	2021 £	Equipment 2022 £	2021 £
Less than one year	66,875	70,403	857	1,296
One to five years	158,229	189,285	176	4,304
Over five years	–	–	–	–
	225,104	259,688	1,033	5,600

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2022 £	2021 £	Equipment 2022 £	2021 £
Less than one year	14,667	14,667	–	439
One to five years	98,458	110,500	–	3,076
Over five years	–	–	–	–
	113,125	125,167	–	3,515

20 Capital commitments

At the balance sheet date, the group had no capital commitments (2021: £nil).

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

KEMP HOSPICE

England & Wales - Charity number 1146310

Accounts

Company number: 07846810

Charity Number: 1146310

KEMP House Trust Ltd

Report and financial statements

For the year ended 31 March 2021

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Reference and administrative information

For the year ended 31 March 2021

Company number 07846810
Country of incorporation United Kingdom

Charity number 1146310
Country of registration England & Wales

Registered office and operational address 41 Mason Road
KIDDERMINSTER
DY11 6AG

Operational name KEMP Hospice

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mrs Alison Field	Chair (Resigned 30 June 2021)
Mr Geoff Taylor-Smith	Chair (Appointed 1 July 2021)
	Director (Appointed 1 December 2020)
Mrs Kate E Collyer	
Mrs Janet Rowe	
Mr Malcolm Plant	(Resigned 1 June 2020)
Mr Shayne Taylor	
Mrs Julia Neal	(Resigned 30 June 2021)
Ms Polly Symondson	
Ms Katherine Ellis	(Appointed 7 Sept 2021)

Key management personnel	Heidi Hawkins	Chief Executive
	Caroline Beech	Head of Finance & Infrastructure
	Laurey Grennall	Head of Hospice Services (Appointed 14 Sept 2020)
	Charlie Homer	Head of Fundraising & Communications
	Lynne Haines	Head of Retail (Retired 31 August 2020)
	Gary Barnes	Head of Retail (Appointed 24 August 2020)
	Ruth Power	Head of People

Bankers

Santander
Bridle Road
Bootle
L30 4GB

HSBC Bank plc
6 Broad Street
Worcester
WR1 2EJ

KEMP House Trust Ltd

Reference and administrative information

For the year ended 31 March 2021

Solicitors

Painters
29 Church Street
Kidderminster
CY10 2AU

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Our objectives: To provide clinical, emotional, and spiritual care with practical support for people, their families, carers and the wider community who may be affected by serious and life-limiting illness within Worcestershire and the surrounding areas, are contained in full within our Articles of Association and also reflected in our vision, mission and values as follows:

Our Vision is quality and choice in end-of-life care and bereavement support, easily accessed by everyone in the Wyre Forest who needs it.

Our Mission:

- To ensure the people we support are at the heart of all we do.
- To care for individuals living with life limiting conditions and provide practical support to the people who matter to them.
- To support children and adults who have experienced bereavement, helping them to find their new normal.
- To fundraise so that we can continue to provide our services free of charge.
- Together our staff and volunteers carry out our work in partnership with providers, businesses, groups, and individuals in our local community.

Our Values:

Positive; Respectful; Professional, Compassionate; Inclusive and Trustworthy

Our Activities

Care and Support

KEMP Hospice provides free specialist care for people affected by life limiting illness and gives support to those who have been bereaved in the Wyre Forest (Worcestershire) and surrounding areas. Our expert and compassionate care and support is provided not only for the patient but also for their carers and wider family, including children and young people.

Trustees' annual report

For the year ended 31 March 2021

Provided by a team of dedicated staff and over 200 volunteers all our support is free to access and with our hospice users facing a wide range of life limiting illnesses and conditions, we place great importance on taking a holistic view of patient care so as to deliver everything in response to the specific needs of an individual and their family. Our services include:

- *The Wyre Forest's only specialist, nurse-supported Day Hospice* – combining clinical care with a range of therapies to support patients' physical and emotional wellbeing;
- *Support services provided in the home* – including occupational therapy, physiotherapy and respite services for carers of patients with life limiting conditions, who are nearing the end of their lives;
- *KEMP for Kids* – a special service which supports children and young people aged 5–18 years in circumstances where someone close to them has a life-limiting condition or has died through counselling and group activity days;
- *Bereavement support for adults* – our trained counsellors support individuals dealing with the illness or loss of a loved one, giving them a safe place to share their feelings, manage their grief and help build a future life;
- *Befriending* – our volunteers telephone adult family members to reduce their sense of isolation and give them emotional support;
- *Welfare & Financial Advice* – Living with a life limiting illness brings many practical and financial concerns with it, and we offer advice, information and representation with regard to a range of issues, including: benefits, housing, employment, debt and relationship problems;
- *Spiritual Care* – KEMP Hospice welcomes people of all faiths and of none. Our team of staff and volunteers offer care and support by spending time with patients: by listening to them, through music, spiritual creativity, reflection, or prayer.

We are proud to work closely with the Community Specialist Palliative Care Team and the Wyre Forest Palliative Care Consultant, to ensure the care being provided to patients is as streamlined and comprehensive as possible. Additionally, we facilitate a heart failure clinic once every two months and Worcestershire Health and Care Trust operate a Lymphedema outpatient clinic every Thursday from one of our treatment rooms.

Generation of Income

- KEMP Hospice has a varied portfolio of fundraising initiatives. This ensures that supporters have a wide range of ways in which to engage with the charity and minimises the risk of becoming dependent on any one fundraising activity.
- KEMP Hospice is registered with the Fundraising Regulator. We adhere to and maintain the standards set out by the regulator, ensuring our fundraising is legal, open, honest, and respectful to the public. Furthermore, we are committed to adhering to the Institute of Fundraising Code of Fundraising Practice and the specific guidance on treating donors fairly (through Respect, Fairness, Accountable, Responsive) in all our fundraising activities, ensuring that we protect vulnerable people.

Trustees' annual report

For the year ended 31 March 2021

- We are fortunate to have strong community support and benefit from a number of third-party events. Our dedicated Community Fundraiser and wider fundraising team supports all events we are aware of, and ensures regulations are being adhered to.
- We are part of Your Hospice Lottery, which is owned and administered by St Helena Hospice and specifically operates to raise funds for hospice care. Canvassers are employed by Your Hospice Lottery but engage with KEMP as part of their induction. These fundraisers engage with the public at external venues, events, and by carrying out door to door activity. They are not permitted to carry out these activities without identification, are highly trained, and never collect or accept money. Neither do they pursue individuals who have made it clear they do not wish to engage.
- We have a Donations Centre in Kidderminster and operate 6 retail charity shops across Kidderminster, Stourport and Bewdley as well as our own online eBay shop.

Governance

KEMP Hospice trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

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

The trustees agree the strategic direction of the charity through the preparation and monitoring of a 5-year strategy. To support delivery of the strategy, an operational business plan and budget is developed annually, approved, and reviewed by the trustees. Our full strategy can be viewed by visiting our website: <https://www.kemphospice.org.uk/strategy2024>

We have clear objectives set out for each of our strategic plans, which are based on consolidation and sustainability, rather than expansion, and our aims reflect our desire to tangibly improve every area of our business, to be the very best that we can be, for all those who need us, and to keep our patients and clients at the heart of everything we do. We base all our activities, measure performance and plan business objectives around our 5 aims:

- We provide exceptional care and support
- We are the Wyre Forest Hospice
- We are a great place to work and volunteer
- We fundraise, now and for the future
- We operate responsibly

Progress towards achieving objectives is monitored and reviewed through the respective sub-committee which are focussed on Services, Finance, Resources and Risk and Income Generation, and

at full Board meetings of the trustees. Monthly management accounts and quarterly reports by the Chief Executive and departmental managers are provided.

Day-to-day responsibility for the management of the charity is delegated to a senior management team of six, comprising: Chief Executive Officer, Heidi Hawkins; Head of Finance & Infrastructure, Caroline Beech; Head of Fundraising & Communications, Charlie Homer; Head of Hospice Services, Laurey Grennall; Head of People, Ruth Power and Head of Retail, Gary Barnes. The senior management team meet fortnightly to discuss both strategic and operational matters.

The trustees consider that they have complied with their duty in Section 17(5) of the Charities Act 2011 and have referred to the guidance provided by the Charity Commission on public benefit when reviewing the charity's aims and objectives.

Achievements and performance 2020/21

2020/21 saw the second year of our five year strategy and, of course, Coronavirus. Regrettably we had to close the doors to our hospice on 16 March 2020 and cease face to face counselling support.

Our shops closed from 23 March 2020 until 9 June 2020, when we took a calculated and cautious approach, reopening in stages, testing, and evaluating our safety measures, welcoming back staff and volunteers in a staggered and deliberate way. We also introduced an online booking system to help us safely manage donations, a system we have retained. Similarly, all our community and events fundraising ceased for that period and face to face fundraising has only really tentatively started again following the end of the third lockdown in Winter 2021.

From February 2020, when we were aware that a pandemic was likely, we had been preparing to support those within our workforce who could work from home with enhancements to our digital and IT infrastructure, so our team was well placed to effortlessly move to home working; something which meant that our Family Support & Bereavement Team were able to continue their work almost seamlessly, albeit remotely.

We accessed the government's Coronavirus Job Retention Scheme and furloughed all staff who were unable to work from home, such as our retail staff, as well as those who had seen a reduction in their work due to reduced activity such as housekeeping, some of our fundraising team and others across support services.

However, throughout the pandemic we adapted our services and remained responsive to the needs and feedback of our patients and their carers and families.

Our key developments have included:

- Our Family Support & Bereavement Team ensuring no break in service by providing counselling and support over the telephone and/or via online video calls;

- Offering essential support directly in patients' homes to prevent hospital admissions, including respite for carers and rehab support to prevent loss of function: In the period September – March 2021 we conducted over 180 hours of patient support and respite care;
- Launching a virtual Day Hospice in November 2020, which offers a breadth of therapeutic and social activities via weekly group Zoom sessions and has proven an essential lifeline to combat isolation and provide support during the second lockdown and beyond;
- Provided nearly 900 lunches to individuals who have pre-existing health conditions and are therefore classed as at high risk of getting seriously ill with Coronavirus;
- Following our decision to pause all live recruitment in March 2020, we finally successfully appointed Laurey Grennall to the new position of Head of Hospice Services and she joined KEMP in September 2020;
- Other positive appointments in the year included a Complementary Therapist, Physiotherapist and a new Staff Nurse, as well as the appointment of Gareth Vaughan as Family Support & Bereavement Services Manager.

We anticipated a reduction in referrals into our service, with the lockdowns and society's wish not to burden healthcare services. We were also conscious that our community might think because our buildings were closed that we had paused services too. However, we communicated updates on the services we continued to provide through local press and social media.

Following a quiet Summer, we started to receive referrals to our Care Services again steadily in the Autumn and at the end of March had 77 new referrals (106 2020/21). Our Finance and Welfare Officer received requests for support from 233 individuals (275 2020/21). Supporting Care Homes to update individual's wishes and choices for their care in the form of Advance Care Planning. Over 400 individuals were directed to the service in comparison to 182 in the previous year.

We received 245 referrals for support for bereaved adults and 91 for children and young people. We anticipated that Coronavirus would place greater pressure on our Bereavement Services team, and we were able to recruit two additional 'bank' counsellors. However, although we are supporting a number of people who have lost a loved one as a result of Coronavirus, we are relieved to report that the surge in demand we feared may arise last summer did not come to pass. 1256 counselling sessions have been delivered across the year, either by phone or Zoom.

We were incredibly honoured to have been presented with awards from both the High Sheriff of Worcestershire and Bewdley Rotary Club. It meant a lot to have our team and work recognised. One of our nurses also received a special recognition award for her individual contribution over a long and distinguished career with KEMP, specifically acknowledging how she delayed her retirement when the pandemic struck to add support where it was needed.



Some feedback from those who have used our services this year

"Counselling has made a tremendous difference – my confusion & distress affected my family badly and by gradually unpeeling the layers, airing my anxieties helped me process and unburden. I'm feeling the joy in my life again and of course my family benefit from that too!"

"One of KEMP's nurses now comes to see my husband regularly and calls to check in on how we are doing. He also has regular support with his mobility thanks to Physiotherapy sessions."

"I have missed coming to KEMP and seeing everyone. I was always asked how I am and made to feel so special – that's just how KEMP make you feel. It has been so nice to see all of the people I used to see on Tuesdays and the staff, to hear how other people are coping, their experiences of lockdown and how it has affected them. Although it isn't the same as seeing people, it really is a marvellous way of keeping in touch and to say hello."

"My Counsellor provided a very safe pair of hands to hold me whilst I explored my grief. She was a tremendous support to me and helped me put many demons to rest. She provided so much care and compassion, I truly miss our sessions. She is an exceptional counsellor."

"The sessions gave me the opportunity to speak about issues that I had not been able to process and in some ways were holding me back from moving on. KEMP's support has helped me to live in my 'new normal'."

oOo

Irene Preston is the wife and full-time carer of KEMP patient David Preston – just one of many individuals who our team has been able to support with in-home care services during the pandemic. Irene explains:

"After David was diagnosed with progressive supranuclear palsy, a severe movement disorder, we felt very alone and isolated. However, six months ago we were referred to KEMP and everything changed. The nurses called and arranged an appointment to come around to our home to meet David. They followed up immediately with how they could support us. We were so relieved.

One of KEMP's nurses, Alison, now comes to see David regularly and calls us to check in on how we are doing, and Sarah, their physio, supports him with his mobility, which has been a great help. Caitlyn, their Advance Care Planning Facilitator, came and completed David's ReSPECT form¹ with him. She was so kind and really took her time going through everything with him which was so helpful as he can get muddled and struggles with his speech.

We have been enjoying KEMP's Virtual day Hospice programme and attend the weekly Zoom sessions. They really brighten and break up our days. We look forward to them. We

really like the bingo – not the quizzes so much as we aren't any good! - as well as the relaxation exercises which we do together. I also enjoy watching the creative therapy sessions. David sleeps a lot nowadays, but he always stays awake for KEMP's Zoom calls. What has meant the most to us about the care and support we have received from KEMP, is the understanding and the kindness shown by all the staff. They are fantastic and we no longer feel on our own."

oOo

Child X is a girl aged 9 years, she and her sister are being supported by KEMP. She started her counselling at KEMP 12 months ago when her father died suddenly. Losing her father so traumatically has been very difficult for X, 1:1 sessions had been via Zoom while schools were closed or not receiving visitors, this has also been difficult for X, increasing the isolation from her friends, school peers and 'normal' life.

We wanted X to come on the Memory Day to enable her to be with other children who had lost a loved one and have the opportunity to remember but also have some fun with the outdoor activities with children her own age that are dealing with similar emotions. Prior to the Memory Day it has been difficult to use creative tools to support X with her grief, the day enabled her to explore her grief and emotions creatively.

On arrival at the Memory Day X was very apprehensive about being in a group and leaving her mother. Once her mother had left, X joined the group and settled in well. Initially she sought out the company of the adult volunteers but relished the outdoor activities and soon built friendships with others in the group, including the other children. X gradually began to interact and seek out the company of peers rather than the adults.

X felt able to share her emotions individually and in a group setting – she became more confident and resilient throughout the day. Her anxiety levels dropped as she interacted with others and enjoyed being in a child's world.

At the end of the day X was able to share how she was feeling, explore and highlight important memories of her father and come away with a set of defined coping skills for when things may feel too much.

Income

There are some notable achievements for our income within this financial year, despite the incredibly challenging backdrop:

- In the latter half of the financial year, we once again returned to objectives within our annual business plan and made two key appointments to the team, namely a full time Communications and Marketing Officer and a part time Database Officer.
- Following the resignation of Lynne Haines after 10 years in post, we successfully appointed Gary Barnes as our Interim Head of Retail In August 2020 and the post was confirmed as permanent on 26th April 2021.
- We have Your Hospice Lottery team to thank for their excellent planning and increase in telephone canvassing through the year, something which has resulted in our Lottery income almost doubling for the second year running, increasing from £23,835 in 2019/20 to £35,343.
- Once again, we have seen marked growth this year from Charitable Trusts, realising income of £122,538, a 73% increase from the year before. This is our second full year working with our external bid writer and we have seen the benefits of this relationship.

We would like to thank the following Trusts and Foundations for their support:

- Coutts & Co
- Baron Davenports Charity
- BBC Children in Need
- The Blakemore Foundation
- The Charity of Stella Symons
- The DMF Ellis Charitable Trust
- The February Foundation
- GJW Turner Trust
- The Grimmitt Trust
- The Heathcock Charitable Trust
- Hospice Aid UK
- The Jarman Charitable Trust
- Kidderminster Town Council
- The Kildare Trust
- The L&R Gilley Charitable Trust
- Lasletts Hinton Charity
- The Michael & Anna Wix Charitable Trust
- Masonic Charitable Foundation
- Matthew Good Foundation
- Shakespeare Martineau
- The Sir Jules Thorn Charitable Trust
- The Kate Wilson Oliver Trust
- The Roger & Douglas Turner Charitable Trust
- The Uncle Bill Trust
- The W E D Charitable Trust
- Albert Hunt Trust

Trustees' annual report

For the year ended 31 March 2021

- Brian Shaw Trust
- W A Cadbury Charitable Trust
- Western Power
- Worcestershire Community Foundation
- Birmingham District Nursing Charitable Trust
- Special grateful thanks go to the Trustees of KEMP House Trust, who supported us in this financial year with funding of £357,019 towards us adapting and continuing to provide our vital services through Covid.
- We received an unexpected legacy of £50,000 and due in no small part to our limited team working incredibly hard to maximise opportunities to raise income, we saw our Corporate income increase by a third to £43,108 this year.
- Please see our 'Financial Review' section on page 12.

Risk and Compliance

As a company and charity providing regulated and commissioned services, we follow codes of ethics and practice in our services and fundraising activities; we take our regulatory responsibilities seriously and work to protect our reputation and credibility as a professional organisation.

- We are thankful that we had no reportable incidents throughout the financial year. This applies to the Fundraising Regulator, CQC, ICO and Charity Commission.
- We had no CQC visit in this financial year, although our CEO, Head of Hospice Services and Care Services Manager attended a virtual monitoring call in January, presenting evidence and information relating to our response to the pandemic and additions and changes to our policies, procedures and processes, particularly around infection control. We continue to review all clinical policies and procedures, as well as ensuring a focus on the CQC Key Lines of Enquiry, in anticipation of a visit in the forthcoming year.
- All mandatory training has been carried out in line with our plans for the year and we have reviewed and updated our mandatory training matrix as part of the People policies review.
- We continue to enjoy open and supportive relationships and provide extensive reports to our Clinical Commissioning Group Quality and Contract officers.

Please see 'Plans for the Future' on page 14 for how we will take the opportunities that Coronavirus has presented us with to reshape our services.

Sincere Thanks

The flexible approach and dedication to ensuring the people who need our services continued to be cared for and supported throughout this year would not have been possible without the dedication of our hardworking staff along with the very many willing volunteers who give freely of their time and talents and we would like to take this opportunity to thank them all for their efforts.

Unsurprisingly with the disruption and very real threat caused by Covid, we saw a reduction in the numbers of volunteers who support our work. However, at the end of the financial year we are fortunate to still have an incredible 205 individuals volunteering their time across our charity within

Retail; Fundraising; Finance; Care and Bereavement Services; and on our Board of Trustees. In total a no less incredible 11,702 hours of time, commitment, hard work and skills were shared to help us in delivering our work.

Financial review

Under such extraordinary circumstances our total income for the year of £2,154,186 (2020: £1,888,775) with a net surplus of £656,500 (2020: £186,497) was much better than we might have expected. All our income is used to support in the delivery of services to our patients and clients.

Income

We are grateful for the various government initiated financial support streams which helped us to retain our staff by accessing the furlough option, as well as the Retail, Hospitality and Leisure Grant which contributed to our Trading income and significantly offset potential losses from lockdown closures, resulting in a much better than anticipated income from our Trading activities of £681,397 (2020: £712,676).

So too we are thankful to Hospice UK for working with the government to secure funding which hospices were able to access in exchange for supporting the NHS in the Covid response. KEMP Hospice received a total of £274,386, enabling us to keep all of our service team members working and providing vital care and support throughout.

Additional to the funding which we receive from Herefordshire and Worcestershire Clinical Commissioning Group (CCG) in the form of a grant agreement, we were awarded additional funding to support anticipated increase in Covid related bereavement support which brought our CCG income to £361,094 this year.

Expenditure

Our total expenditure in 2020/21 was £1,497,686 (2020: £1,702,278) and contribution split can be seen below. The former half of the year saw a very strict review and pause on all non essential spending and the remainder of the year saw careful financial management, without detrimentally affecting any of our operations.

Our fundraising and retail expenditure directly supports our income generation for the charity and unsurprisingly this was reduced in this financial year at £645,425 (2020: £787,154).

Total funds held at the end of the financial year were £2,260,049 (2020: £1,603,549), of which £604,614 (2020: £629,819) is restricted to support the fixed assets which are essential for our charitable activities.

Risk Management

We have a risk policy and register to enable the identification, monitoring and management of controls to mitigate risks. The Senior Team and Board of Trustees consider risks on a quarterly basis.

The key strategic risks are:

- ✚ **We are unable to fulfil our 5 year plans for income generation growth.** We have skilled and experienced staff and trustees in key roles. As well as quarterly income and financial scrutiny, our income and expenditure is reviewed on a monthly basis. Our governance and operating structure is such that any responsive changes deemed necessary to support our income strategy could be agreed quickly.
- ✚ **Changing social attitudes may reduce the pool of people who will enable us to fulfil our planned recruitment of volunteers.** We mitigate this risk by nurturing relationships with organisations and individuals who can support us in facilitating recruitment of potential volunteers, as well as exploring ways to taking a collaborative approach to volunteer attraction and recruitment with other hospices and charities.
- ✚ **Competing with Agenda for Change pay and reward packages could affect our recruitment of health and social care colleagues.** As well as an emphasis on communicating our culture and carrying out regular benchmarking activities, we are committed to building on strong recruitment and employment foundations to ensure people who work with us are engaged and valued.
- ✚ **Uncertainties in commissioning structure and priorities could threaten our model of care.** We maintain effective, open relationships with our commissioners and ensure all reporting requirements are met.
- ✚ **Catastrophic reputational impact of significant detrimental regulatory occurrence.** Risks to every area of our operations are reviewed, monitored and escalated as a minimum quarterly by the Senior Team, through each respective sub committee and onto full Board. We have a communications plan in place and key personnel would be alerted to any potential reputational threats.

Our strategy, experienced team and spread of income streams means we are not reliant on one particular source of income. Our governance and operating model is such that any responsive changes to income strategy could be agreed within a short time period.

Reserves policy and going concern

The trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. A policy is established whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be 6 months of the anticipated expenditure. At the end of the financial year unrestricted free reserves were £1,210,247 (2020: £844,201), which is 20 months of the anticipated expenditure and representative of the desired reserves position.

Plans for the future

From June 2021 we have re-opened our hospice building and crucially have increased the number of days a week, KEMP Hospice is open to patients from four to five days so we can reach more people, more often. Specifically our aims with this development are to:

- Increase the availability of face-to-face support for patients at our hospice building, whilst remaining cognisant of, and compliant with the government's rules on social distancing;
- Increase the flexibility of our services so patients are able to choose if and when they want to come into the hospice, receive care at home and/or engage with remote support services;
- Maximise engagement with and impact of all virtual support services;
- Place patients' needs and their bespoke plan of care at the centre of everything we offer; and
- Minimise the potential disruption of any future lockdowns and/or social distancing restrictions by operating an adaptable and efficient service.

Our dedicated team of staff and volunteers will offer the following services across two phases, provisionally scheduled to co-ordinate with the Government's plan for the lifting of national lockdown restrictions:

Phase One (started June 2021)

- 1:1 clinic appointments are re-introduced at our hospice facility, and when essential, available through home visits as well.
- In patients' homes our Care Services Team will also provide occupational therapy and physiotherapy; therapeutic support to prevent deconditioning when patients are no longer able to attend the hospice site; and initial assessment/introduction to KEMP sessions for new patients.
- Our successful Virtual Day Hospice programme will continue running twice a week, focussing on wellbeing and creative activities such as relaxation sessions, creative therapy and complementary therapy.
- 1:1 support to patients on the telephone and/or via video calls will continue.
- Our team of trained counsellors will continue to support individuals dealing with the illness or loss of a loved one through telephone and/or video call support. They will also be able to see clients 1:1 on-site in exceptional circumstances.
- The Children's counselling team will continue to visit children at their schools, and we are planning to provide our adult counsellors training to enable them to support children and young people into the future. This will address the increased demand we have seen in this area, and reduce the current waiting time of 12-15 weeks for new referrals.
- Respite support for carers of our patients will be reviewed and a more bespoke model, possibly using volunteers, will be developed.
- Café facilities at our hospice site will be limited to light refreshments and snacks to allow for planned refurbishment of the space.

Phase Two (to be phased in August 2021 – March 2022)

- Patients, carers and bereavement groups will all be able to meet on-site (numbers dependent on social distancing rules in place). In addition to 1:1 clinic/support on-site, we anticipate running structured one-stop clinics enabling small groups of vulnerable patients to see multiple professionals.
- We will be examining our indoor and outdoor spaces, to ensure we are using every available area to operate safely and in order to facilitate increased numbers of patients and clients in the hospice building. This will include the launch of a long term and significant project in remodelling our hospice garden.
- KEMP for Kids, our programme supporting children and young people through bereavement or the illness of a loved one will continue in schools, and in 2022, through the re-introduction of non-residential camps for groups of primary and secondary age children.
- For those unable to come into our hospice, Virtual Day Hospice activities will provide an ongoing lifeline with a rolling, holistic 'Living Well' programme including advice on diet, relaxation techniques, symptom control management and practical advice on things such as personal finances, benefits etc.
- Full Café-style catering will gradually return with a new menu available for all visitors.

We will be mindful that reintroducing patients, clients, volunteers and staff back to our shops and the hospice building will not necessarily be straightforward and we will have a focus on wellbeing and supporting everyone to feel safe and secure at KEMP.

Income Generation

Not unexpectedly this year will be about recovery and maximising every opportunity for income generation across our Fundraising & Communications department and through our Trading activities.

Governance

The Board of Trustees have embraced the Charity Governance Code, carrying out a self-assessment and have identified two key areas of focus: how the charity can demonstrate not only our financial/economic sustainability, but also our ecological and environmental impact in all our operations and; how the organisation as a whole can embed Equality, Diversity and Inclusion within our culture and across all operations, including within the Board itself.

Structure, governance and management

KEMP House Trust Ltd. (KEMP Hospice) is a charitable company limited by guarantee, incorporated on 14 November 2011 and registered as a charity on 9 March 2012.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Appointment of trustees

KEMP Hospice recruits trustees based on a number of factors including, but not limited to, the need for a particular skill, a mix of backgrounds, experiences and considering a range of dynamics. The charity utilises social media to promote trustee vacancies, as well as charity and individual networks. A comprehensive recruitment process includes formal interview, time spent with a range of the charity personnel, and attendance at two Board meetings. The existing trustees then vote to appoint.

Within this financial year the Board appointed Geoff Taylor Smith to a Chair Designate position, in readiness for taking on the Chair role following Alison Field's resignation on 30th June 2021.

Some governance work was carried out throughout Summer 2020, including a more formalised succession planning process, and a review of the sub-committee structure to better meet the needs of our strategic aims. The following committees were agreed upon and commenced in September 2020: Patient Services (unchanged); MAGIC (Marketing and Generation of Income Committee); Finance & Resources and introducing a new committee overseeing Risk & Compliance. Additionally our Trustees agreed to a formal term of office of four years with an option to serve a further term, following a voting process.

Related parties and relationships with other organisations

KEMP House Trust is a separate registered charity, governed by a Trust Deed, which manages an investment portfolio and whose principal objective is to support the activities of KEMP Hospice, on provision of a costed business case which demonstrates the benefits to the beneficiaries of the hospice services.

During the year ending March 2021 there were four trustees, who meet quarterly and manage and oversee the investment portfolio with the professional advice of Investec Wealth and Investment Ltd. who visit the hospice twice a year and provide regular written reports to the board.

KEMP House Trust and KEMP House Trust Ltd. (KEMP Hospice) each have an appointed conduit member who attends the meetings of the other Board, but without voting rights, to ensure a greater understanding of what is taking place in each area.

KEMP House Trust (Hospice Shop Ltd): The Trading Company is a wholly owned subsidiary of the Hospice. There were three directors serving during the year who have accountability for retail activities. The Hospice Chief Executive has ultimate responsibility for the management of the Hospice and Trading Company. All three of the current directors are hospice Trustees. The Head of Retail and Head of Finance attend the Board meetings, which are held quarterly.

We are in the finishing stages of dissolving the Trading Company, pending finalising lease terms with landlords. All trading activities will then sit within the Hospice. We expect that this work will be completed by the end of the financial year ending 31st March 2022.

Statement of responsibilities of the trustees

The trustees (who are also directors of KEMP House Trust Ltd for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- ✚ Select suitable accounting policies and then apply them consistently
- ✚ Observe the methods and principles in the Charities SORP
- ✚ Make judgements and estimates that are reasonable and prudent
- ✚ State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- ✚ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and 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 auditor is unaware
- ✚ 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 auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 6 (2020: 7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 1 December 2021 and signed on their behalf by

Geoff Taylor-Smith
Chair

Independent auditor's report

To the members of

KEMP House Trust Limited

Opinion

We have audited the financial statements of KEMP House Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report

To the members of

KEMP House Trust Limited

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance and income committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

KEMP House Trust Limited

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

KEMP House Trust Limited

Use of our report

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

Fleur Holden (Senior statutory auditor)

14 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	718,381	30,588	748,969	823,349	41,346	864,695
Charitable activities							
Hospice services	3	368,817	274,386	643,203	277,756	–	277,756
Education income	3	–	–	–	3,608	–	3,608
Other trading activities							
Charity shop income		328,961	–	328,961	712,676	–	712,676
Management charges		2,052	–	2,052	3,000	–	3,000
Lottery income		35,343	–	35,343	23,835	–	23,835
Sale of merchandise		–	–	–	311	–	311
Other income							
Coronavirus Job Retention Scheme		140,527	–	140,527	–	–	–
Retail, Hospitality & Leisure Grants		197,441	–	197,441	–	–	–
Retail Business Interruption Insurance		56,364	–	56,364	–	–	–
Investments		1,327	–	1,327	2,894	–	2,894
Total income		1,849,212	304,974	2,154,186	1,847,429	41,346	1,888,775
Expenditure on:							
Raising funds	5						
Fundraising costs		263,158	–	263,158	338,871	–	338,871
Charity shop costs		514,032	–	514,032	599,834	–	599,834
Charitable activities							
Hospice services	5	381,193	330,179	711,372	711,148	52,315	763,463
Tax payable by subsidiaries	12	9,124	–	9,124	109	–	109
Total expenditure		1,167,507	330,179	1,497,686	1,649,963	52,315	1,702,278
Net income / (expenditure) for the year	6	681,705	(25,206)	656,500	197,466	(10,969)	186,497
Transfers between funds		–	–	–	–	–	–
Net movement in funds		681,705	(25,206)	656,500	197,466	(10,969)	186,497
Reconciliation of funds:							
Total funds brought forward		973,730	629,819	1,603,549	776,264	640,788	1,417,052
Total funds carried forward		1,655,435	604,614	2,260,049	973,730	629,819	1,603,549

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18a to the financial statements.

Balance sheets

Company no. 07846810

As at 31 March 2021

	Note	The group 2021 £	2020 £	The charity 2021 £	2020 £
Fixed assets:					
Tangible assets	11	713,914	750,826	699,156	729,237
Investments	12	–	–	5,002	5,002
		<u>713,914</u>	<u>750,826</u>	<u>704,158</u>	<u>734,239</u>
Current assets:					
Stock	14	2,579	5,212	–	178
Debtors	15	384,080	374,161	685,165	620,841
Cash at bank and in hand		1,241,625	572,254	996,308	356,884
		<u>1,628,284</u>	<u>951,627</u>	<u>1,681,473</u>	<u>977,903</u>
Liabilities:					
Creditors: amounts falling due within one year	16	(82,149)	(98,904)	(34,364)	(43,379)
		<u>1,546,135</u>	<u>852,724</u>	<u>1,647,109</u>	<u>934,524</u>
Net current assets					
		<u>2,260,049</u>	<u>1,603,549</u>	<u>2,351,268</u>	<u>1,668,763</u>
Total assets less current liabilities					
		<u>2,260,049</u>	<u>1,603,549</u>	<u>2,351,268</u>	<u>1,668,763</u>
Total net assets					
		<u>2,260,049</u>	<u>1,603,549</u>	<u>2,351,268</u>	<u>1,668,763</u>
Funds:	18a				
Restricted income funds		604,614	629,819	604,614	629,819
Unrestricted income funds:				–	–
Designated funds		337,800	–	337,800	–
General funds		1,317,635	973,730	1,408,854	1,038,944
		<u>2,260,049</u>	<u>1,603,549</u>	<u>2,351,268</u>	<u>1,668,763</u>
Total funds					
		<u>2,260,049</u>	<u>1,603,549</u>	<u>2,351,268</u>	<u>1,668,763</u>

Approved by the trustees on 1st December 2021 and signed on their behalf by

Geoff Taylor-Smith
Chair

Janet Rowe
Trustee

KEMP House Trust Ltd

Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net income for the reporting period		656,500		186,497	
(as per the statement of financial activities)					
Depreciation charges		63,127		45,984	
Loss on disposal of fixed assets		1,558		–	
Interest from investments		(1,327)		(2,894)	
(Increase)/decrease in stocks		2,634		(1,678)	
(Increase)/decrease in debtors		(9,919)		(211,139)	
Increase/(decrease) in creditors		(16,755)		15,143	
Net cash provided by operating activities		695,817		31,913	
Cash flows from investing activities:					
Interest received		1,327		2,894	
Purchase of fixed assets		(27,773)		(117,286)	
Net cash provided used in investing activities		(26,446)		(114,392)	
Change in cash and cash equivalents in the year		669,371		(82,479)	
Cash and cash equivalents at the beginning of the year		572,254		654,732	
Cash and cash equivalents at the end of the year		1,241,625		572,254	
Analysis of cash and cash equivalents					
		At 1 April 2020 £	Cash flows £	At 31 March 2021 £	
Cash at bank and in hand		572,254	669,371	1,241,625	
Total cash and cash equivalents		572,254	669,371	1,241,625	

1 Accounting policies

a) Statutory information

KEMP House Trust Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 41 Mason Road, Kidderminster, Worcestershire, DY11 6AG.

b) Basis of preparation

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

These financial statements consolidate the results of the charity and its wholly-owned subsidiary KEMP House Trust (Hospice Shop) Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as a summary of the result for the year is disclosed in the notes to the accounts.

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

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

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

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Further information in relation to the trustees' appraisal of going concern is included in the trustees' annual report. There are no key judgements that the charity has made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Whilst the trading subsidiary, KEMP House Trust (Hospice Shops) Limited is due to be liquidated within the financial year ending 31 March 2021, and its accounts have been prepared on a basis other than going concern, there is no impact on the going concern conclusion for the parent charity or group, as the activities, assets and liabilities of the trading subsidiary will be transferred to the parent charity prior to liquidation.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

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

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

g) Retail, Hospitality and Leisure Grants

The trading subsidiary has received a Retail, Hospitality and Leisure Grant from the local authority for each shop. The grants were received and have been recognised in the financial year ending 31 March 2021 based on an entitlement date of 1 April 2020 as per the guidance issued by the Department for Business, Energy and Industrial Strategy.

h) Interest receivable

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

i) Fund accounting

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

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

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

j) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, grants and legacies and costs of trading activities including the costs of goods sold, shop costs and their associated support costs
- Expenditure on charitable activities includes the costs of providing specialist palliative care and support and the costs of community services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) Allocation of support costs

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the hospice's charitable, income generating and governance activities to be undertaken. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|-------------------------|-----|
| ● Cost of raising funds | 34% |
| ● Hospice services | 66% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1 Accounting policies (continued)

l) Operating leases

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

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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

● Leasehold land & buildings	4% straight line and 99 years
● Leasehold property improvements	5 years
● Motor vehicles	4 years
● Office equipment	3 years
● Furniture & equipment	3 years and 25% reducing balance

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

p) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Cash at bank and in hand

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

r) Creditors and provisions

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

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

t) Pensions

Pension contributions to the group personal pension plan are charged against income when payable.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
General donations	29,795	–	29,795	48,991	–	48,991
Gift aid	26,593	–	26,593	56,227	–	56,227
In memoriam	19,474	–	19,474	25,313	–	25,313
Grants from KEMP House Trust	357,019	–	357,019	367,127	–	367,127
Other charitable trusts	91,950	30,588	122,538	29,618	40,949	70,567
Legacies	55,500	–	55,500	98,212	–	98,212
Corporate income	43,108	–	43,108	31,304	–	31,304
Fundraising income	94,942	–	94,942	166,557	397	166,954
	718,381	30,588	748,969	823,349	41,346	864,695

Fundraising income includes events, raffle, community fundraising and donations.

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	2020 Total £
CCG grant	361,094	–	361,094	277,756	277,756
Hospice UK Income	–	274,386	274,386	–	–
Other income	7,723	–	7,723	–	–
Sub-total for Hospice services	368,817	274,386	643,203	277,756	277,756
Education income	–	–	–	3,608	3,608
Sub-total for Education	–	–	–	3,608	3,608
Total income from charitable activities	368,817	274,386	643,203	281,364	281,364

Education income is for medical student palliative care placements.
All income from charitable activities is unrestricted.

5a Analysis of expenditure (current year)

			Charitable activities				
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 7)	87,663	273,664	418,900	–	215,115	995,342	1,067,191
Fundraising costs	17,034	–	–	–	–	17,034	16,571
Hospice events	5,267	–	–	–	–	5,267	31,385
Hospice care	–	–	20,127	–	–	20,127	49,881
Community fundraising	1,279	–	–	–	–	1,279	4,207
Corporate costs	13,424	–	–	–	–	13,424	17,090
Spiritual care	–	–	80	–	–	80	65
Volunteer costs	–	–	–	210	–	210	1,508
Catering	–	–	8,985	–	–	8,985	8,956
ACP costs	–	–	889	–	–	889	796
Running costs	–	240,368	–	1,461	–	241,829	293,645
Comms and marketing	–	–	–	–	6,962	6,962	9,011
Operations	–	–	–	–	44,455	44,455	41,266
Building costs	–	–	–	–	78,413	78,413	112,083
IT costs	4,096	–	998	–	21,829	26,923	26,271
Training	1,101	–	2,643	167	1,280	5,190	5,308
Professional fees	–	–	–	7,761	2,947	10,708	5,139
Audit fee	–	–	–	11,445	–	11,445	11,795
	129,863	514,032	452,623	21,043	371,001	1,488,562	1,702,168
Support costs	126,140	–	244,861	–	(371,001)	–	–
Governance costs	7,155	–	13,889	(21,043)	–	–	–
Total expenditure 2021	263,158	514,032	711,372	–	–	1,488,562	
Total expenditure 2020	338,871	599,834	763,463	–	–		1,702,168

5b Analysis of expenditure (prior year)

			Charitable activities				
	Raising funds £	Charity shop costs	Hospice services & Education £	Governance costs £	Support costs £	2020 Total £	2019 Total £
Staff costs (Note 7)	111,059	314,653	408,732	–	232,747	1,067,191	1,020,055
Fundraising costs	16,571	–	–	–	–	16,571	8,737
Hospice events	31,385	–	–	–	–	31,385	23,009
Hospice care	–	–	49,881	–	–	49,881	53,208
Community fundraising	4,207	–	–	–	–	4,207	7,564
Raffle	–	–	–	–	–	–	5,260
Corporate costs	17,090	–	–	–	–	17,090	7,171
Spiritual care	–	–	65	–	–	65	97
Volunteer costs	–	–	882	626	–	1,508	100
Catering	–	–	8,921	35	–	8,956	8,310
ACP costs	–	–	796	–	–	796	2,134
Running costs	4,864	285,181	–	3,600	–	293,645	268,936
GDPR	–	–	–	–	–	–	24,307
Comms and marketing	–	–	–	–	9,011	9,011	8,945
Operations	–	–	–	–	41,266	41,266	43,823
Building costs	–	–	–	–	112,083	112,083	73,026
IT costs	–	–	–	–	26,271	26,271	20,513
Training	2,144	–	–	60	3,104	5,308	504
Professional fees	–	–	–	425	4,714	5,139	448
Audit fee	–	–	–	11,795	–	11,795	5,500
	187,320	599,834	469,277	16,540	429,196	1,702,168	1,581,646
Support costs	145,927	–	283,269	–	(429,196)	–	–
Governance costs	5,624	–	10,917	(16,540)	–	–	–
Total expenditure 2020	338,871	599,834	763,463	–	–	1,702,168	
Total expenditure 2019	295,186	544,415	742,045	–	–		1,581,646

Notes to the financial statements

For the year ended 31 March 2021

6 Net income / (expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	63,127	62,820
Loss on disposal of fixed assets	1,558	–
Operating lease rentals:		
Property	81,758	105,691
Equipment	5,600	8,146
Auditor's remuneration (excluding VAT):		
Audit	11,445	11,220
Other services	2,355	1,500
	995,343	1,067,191

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

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	903,508	971,466
Redundancy and termination costs	–	986
Social security costs	65,165	66,970
Employer's contribution to defined contribution pension schemes	26,670	27,769
	995,343	1,067,191

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £279,439 (2020: £259,355).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No charity trustee received expenses for the payment or reimbursement of travel and subsistence costs (2020: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 55 (2020: 49.0).

Staff are split across the activities of the charity as follows (full time equivalent basis):	2021 No.	2020 No.
Raising funds	2.0	2.1
Management and administration	7.0	5.2
Retail	12.2	14.5
Support	14.2	9.2
Governance	-	-
	<u>35.4</u>	<u>31.0</u>

9 Related party transactions

During the financial year ended 31 March 2021, KEMP House Trust (Hospice Shop) Ltd made sales of donated goods on behalf of the hospice to the value of £45,966 (2020: £156,858).

At 31 March 2021 KEMP House Trust (Hospice Shop) Ltd owed KEMP House Trust Ltd £264,238 (2020: £271,297).

KEMP House Trust Limited received grants of £357,019 (2020: £367,127) from KEMP House Trust, of which £76,005 (2020: £101,599) was outstanding at year end.

Aggregate donations from related parties were £1,436 (2020: £7,302).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary KEMP House Trust (Hospice Shop) Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2021 £	2020 £
UK corporation tax at 19%	<u>9,124</u>	<u>109</u>

11 Tangible fixed assets**The group**

	Leasehold buildings £	Leasehold property improvements £	Motor vehicles £	Office equipment £	Furniture and equipment £	Total £
Cost						
At the start of the year	787,751	26,080	22,120	91,577	371,312	1,298,840
Additions in year	20,731	–	–	3,716	3,327	27,773
Disposals in year	–	–	–	–	(33,075)	(33,075)
At the end of the year	808,482	26,080	22,120	95,293	341,564	1,293,538
Depreciation						
At the start of the year	127,078	21,657	15,899	34,734	348,647	548,014
Charge for the year	19,691	1,517	1,555	29,918	10,446	63,127
Eliminated on disposal	–	–	–	–	(31,517)	(31,517)
At the end of the year	146,769	23,174	17,454	64,652	327,576	579,624
Net book value						
At the end of the year	661,713	2,906	4,666	30,641	13,988	713,914
At the start of the year	660,673	4,423	6,221	56,843	22,665	750,826

The Charity

	Leasehold buildings £	Office equipment £	Furniture and equipment £	Total £
Cost				
At the start of the year	787,751	88,577	310,767	1,187,095
Additions in year	20,731	3,716	2,614	27,061
At the end of the year	808,482	92,293	313,381	1,214,156
Depreciation				
At the start of the year	127,078	34,134	296,646	457,858
Charge for the year	19,691	29,318	8,132	57,141
At the end of the year	146,769	63,452	304,778	514,999
Net book value				
At the end of the year	661,713	28,841	8,603	699,156
At the start of the year	660,673	54,443	14,121	729,237

The above assets are used for the Group and Charity.

12 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of KEMP House Trust (Hospice Shop) Limited, a company registered in England. The company number is 02847086. The registered office address is 41 Mason Road, Kidderminster, DY11 6AG.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The Hospice trustees and Directors of the subsidiary have agreed to liquidate the trading company within the next financial year. The retail income generation will continue to operate in the parent charity.

Shayne Taylor, Alison Field and Polly Symondson are also directors of the subsidiary.

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

	2021 £	2020 £
Turnover	282,850	555,818
Cost of sales	(2,456)	(4,864)
Gross profit	280,395	550,953
Administrative expenses	(516,706)	(603,437)
Management charge payable to parent undertaking	(13,003)	(12,520)
Other operating income	352,436	–
Loss on ordinary activities before interest and taxation	103,122	(65,003)
Interest receivable and similar income	144	563
Loss on ordinary activities before taxation	103,267	(64,440)
Taxation on profit on ordinary activities	(9,124)	(109)
Profit for the financial year	94,143	(64,550)
Retained earnings		
Total retained earnings brought forward	(65,214)	(664)
Profit for the financial year	94,143	(64,550)
Distribution under Gift Aid to parent charity	(94,143)	–
Total retained earnings carried forward	(65,214)	(65,214)
The aggregate of the assets, liabilities and reserves was:		
Assets	332,951	266,612
Liabilities	(393,163)	(326,823)
Reserves	(60,212)	(60,212)

Amounts owed to the parent undertaking are shown in note 16.

	2021 £	2020 £
Shares in group undertaking		
Cost at 1 April 2020 and 31 March 2021	5,002	5,002

The charity owns 100% of the share capital of KEMP House Trust (Hospice Shop) Limited.

13 Parent charity

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

	2021 £	2020 £
Gross income	1,625,900	1,344,914
Result for the year	656,500	251,711

14 Stock

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Bought goods	2,579	5,212	–	178
	2,579	5,212	–	178

15 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	20,055	95,204	20,055	95,204
Amounts due from subsidiary company	–	–	371,384	271,297
Amounts due from KEMP House Trust	76,004	101,599	75,738	101,599
VAT	118,989	97,232	116,644	93,216
Other debtors	14,797	30	1,826	30
Gift Aid	24,504	24,291	24,504	24,291
Prepayments and accrued income	129,732	55,804	75,015	35,204
	384,080	374,161	685,165	620,841

16 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	27,982	53,738	3,214	17,008
Taxation and social security	25,922	17,670	15,042	13,582
Pension Fund	4,697	4,227	4,697	4,227
Other creditors	–	244	–	–
Accruals and deferred income	23,547	23,025	11,411	8,561
	82,149	98,904	34,364	43,379

17a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	116,388	597,526	–	713,914
Net current assets	1,201,247	7,088	337,800	1,546,135
Net assets at 31 March 2021	1,317,635	604,614	337,800	2,260,049

17b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Designated funds £	Total funds £
Tangible fixed assets	129,529	621,297	–	750,826
Net current assets	844,201	8,522	–	852,723
Net assets at 31 March 2020	973,730	629,819	–	1,603,549

18a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	286,416	–	(15,912)	–	270,504
Freehold property at Mason Road	330,557	–	(3,535)	–	327,022
QBE European Operations Foundation – Butterfly Room adaptations	4,324	–	(4,324)	–	–
J A Gillett Charitable Trust – Nursing Services	–	–	–	–	–
Hospice UK	–	274,386	(274,386)	–	–
BBC Children in Need – Childrens Bereavement Residential Weekend	–	7,088	–	–	7,088
Brian Shaw Trust – Coronavirus Community Support Service	–	1,000	(1,000)	–	–
W A Cadbury Charitable Trust – Coronavirus Community Support Service	–	1,500	(1,500)	–	–
Western Power (Community Matters Fund) – Coronavirus Community Support Service	–	2,700	(2,700)	–	–
Worcestershire Community Foundation – Coronavirus Community Support Service	–	4,600	(4,600)	–	–
Baron Davenport's Charity – Bereavement Support (COVID response)	–	5,000	(5,000)	–	–
Blakemore Foundation – Bereavement Support (COVID response)	–	200	(200)	–	–
Laslett's (Hinton) Charity – Bereavement Support (COVID response)	–	2,500	(2,500)	–	–
Sir Jules Thorn Charitable Trust – Coronavirus Community Support Service	–	5,000	(5,000)	–	–
Hospice Aid UK – Bereavement Support (COVID response)	–	1,000	(1,000)	–	–
Eveson Charitable Trust – KEMP for Carers	8,522	–	(8,522)	–	–
Total restricted funds	629,819	304,974	(330,179)	–	604,614
Unrestricted funds:					
Designated funds:					
Redesign and landscaping of garden	–	–	–	100,000	100,000
Refurbishment of hospice patient focussed rooms and general areas	–	–	–	105,800	105,800
Hospice kitchen & equipment	–	–	–	20,000	20,000
Wellbeing	–	–	–	4,000	4,000
Digital	–	–	–	48,000	48,000
Hospice roof and cellar	–	–	–	60,000	60,000
Total designated funds	–	–	–	337,800	337,800
General funds	973,730	1,849,212	(1,167,508)	(337,800)	1,317,635
Total unrestricted funds	973,730	1,849,212	(1,167,508)	–	1,655,435
Total funds	1,603,549	2,154,186	(1,497,687)	–	2,260,049

Designated funds are funds which the trustees have set aside for the maintenance and improvement works to the hospice building, employee wellbeing and the development of our digital strategy.

18b Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
KEMP in the Garden Building – depreciation of annexe buildings	302,328	–	(15,912)	–	286,416
Freehold property at Mason Road	334,092	–	(3,535)	–	330,557
QBE European Operations Foundation – Butterfly Room adaptations	4,368	–	(44)	–	4,324
J A Gillett Charitable Trust – Nursing Services	–	1,000	(1,000)	–	–
BBC Children in Need – Childrens Bereavement Residential Weekend	–	6,949	(6,949)	–	–
Michael & Anna Wix Charitable Trust – Nursing Services	–	200	(200)	–	–
Lynn Foundation – Nursing Services	–	500	(500)	–	–
Pamela Barlow Charitable Foundation – Nursing Services	–	500	(500)	–	–
W E Dunn Trust – Nursing Services	–	1,750	(1,750)	–	–
Rowlands Trust – Furniture for Counselling Rooms	–	4,050	(4,050)	–	–
L & R Gilley Charitable Trust – Nursing Services	–	2,000	(2,000)	–	–
Inman Charity – Nursing Services	–	4,000	(4,000)	–	–
Mrs J B Albright's Grimley Charity – KEMP for Carers	–	1,000	(1,000)	–	–
GJW Turner Trust – KEMP for Carers	–	3,000	(3,000)	–	–
Birmingham District Nursing Charitable Trust – KEMP for Carers	–	2,000	(2,000)	–	–
Edgar E Lawley Foundation – KEMP for Carers	–	1,500	(1,500)	–	–
Eveson Charitable Trust – KEMP for Carers	–	10,000	(1,478)	–	8,522
St John's Club – KEMP for Kids	–	397	(397)	–	–
DMF Ellis Charitable Trust – KEMP for Kids	–	2,500	(2,500)	–	–
Total restricted funds	640,788	41,346	(52,315)	–	629,819
Unrestricted funds:					
General funds	776,264	1,847,429	(1,649,963)	–	973,730
Total unrestricted funds	776,264	1,847,429	(1,649,963)	–	973,730
Total funds	1,417,052	1,888,775	(1,702,278)	–	1,603,549

19 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	70,403	70,403	1,296	1,296
One to five years	189,285	271,701	4,304	7,120
Over five years	–	20,833	–	–
	259,688	362,937	5,600	8,416

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	14,667	14,667	439	439
One to five years	110,500	146,000	3,076	4,833
Over five years	–	20,833	–	–
	125,167	181,500	3,515	5,272

20 Capital commitments

At the balance sheet date, the group had no capital commitments (2020: £5,850).

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.