



Company number: 07846810
Charity Number: 1146310

KEMP Hospice

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



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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>

Notes to the financial statements

For the year ended 31 March 2024

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.