

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

CONTENTS

| | Page |
|---|---------|
| Reference and administrative details of the Charity, its Trustees and advisers | 1 |
| Trustees' report | 2 - 9 |
| Independent auditors' report on the financial statements | 10 - 13 |
| Consolidated statement of financial activities | 14 |
| Consolidated balance sheet | 15 |
| Charity balance sheet | 16 |
| Consolidated statement of cash flows | 17 |
| Notes to the financial statements | 18 - 41 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 OCTOBER 2022**

| | |
|----------------------------------|---|
| Trustees | Lady Bacon Charles Barratt Andrew Barnes Robert Carter Anna Dugdale Peter Joyner Iain Mawson Kristian Bowles MBE (appointed 25 April 2023) |
| Company registered number | 09832765 |
| Charity registered number | 1166579 |
| Registered office | 7 The Close Norwich Norfolk NR1 4DJ |
| Independent auditors | Larking Gowen LLP Chartered Accountants 1st Floor Prospect House Rouen Road Norwich NR1 1RE |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

Chairman's Introduction

The case for a new hospice serving Norfolk and Waveney is compelling. Priscilla Bacon Lodge was built in 1979, following a countywide fundraising appeal led by Priscilla, Lady Bacon, but since then the population of Norfolk has grown by over 220,000. This creates a level of demand that cannot be met in a building that has become inadequate and cannot be extended in its current location.

Despite the excellent work of Priscilla Bacon Lodge and other end of life services, the percentage of the population able to receive specialist end of life care in Norfolk and Waveney is among the lowest of any English county.

The new Priscilla Bacon Lodge is being built on an 8-acre site adjacent to the Norfolk & Norwich University Hospital. As well as having the capacity for 24 inpatient beds, the new Priscilla Bacon Lodge will offer vastly improved day care facilities, with a wellness centre, gym and a greater number of counselling and therapy rooms. Many thousands of patients will benefit from day unit services each year, providing support through their terminal illness.

The hospice will have the space to host a hub to provide and coordinate 'virtual ward' services for people being cared for in their homes, ensuring that the new Priscilla Bacon Lodge will be able to help and support considerably more people than the current facility.

The new hospice is looking to the future and will be a platform for education and research supporting improvements in palliative and end of life care locally and nationally. Working with the University of East Anglia Medical School, future generations of doctors and nurses will be trained in the specialism of end of life care. Collaborating with partners on the Norwich Research Park, the new hospice will take part in research projects which will help shape the future of palliative and end of life care; a major research conference is already booked for 2023.

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Norfolk and Waveney desperately need this new hospice, now more than ever.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2022

The Trustees present their annual report together with the financial statements of Priscilla Bacon Norfolk Hospice Care Limited for the period 1 November 2021 to 31 October 2022. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the charitable company qualifies as small under section 383 of the Companies Act 2006, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

REFERENCE AND ADMINISTRATIVE INFORMATION

Priscilla Bacon Norfolk Hospice Care Limited is a charitable company limited by guarantee, was incorporated with Companies House on 20 October 2015 with the company registration number 09832765, and registered with the Charity Commission on 18 April 2016 under charity number 1166579.

The principal object of the Charity can be summarised as promoting the relief of persons who are suffering

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

from any chronic or terminal illness or any disability or disease attributable to old age or from any other physical or mental infirmity disability or disease and of the families of such persons by improving the provision of specialist palliative services and end of life care.

The principal activity of the Charity has been to launch and to lead a fundraising campaign to enable the building of a new hospice, at a projected cost of £12.5 million. This facility, for the people of Norfolk and Waveney, will provide specialist palliative care and end of life care.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by its Memorandum and Articles of Association dated 20 October 2015, as amended by Written Resolution passed on 3 February 2021.

Members' Liability

The Members of the Charity guarantee to contribute an amount not exceeding £10 to the assets of the Charity in the event of winding up.

Organisational management

Details of members of the Board of Trustees (the directors) are shown on page 1. The directors, as trustees of the Charity, are legally responsible for the overall management and control of the Charity. The Board of Trustees meets routinely six times per year and as required. All board members undertake an active role in supporting the aims of the Charity and meet with the staff on a regular basis to progress the work of the Charity.

The day-to-day running of the Charity is delegated to the senior executive (Strategic Project Advisor) who, in turn, is supported by the Head of Operations and Fundraising and the Head of Retail. The senior executive attends all board meetings and provides updates to Trustees on a regular basis.

Priscilla Bacon Norfolk Hospice Care Limited has a wholly owned subsidiary, Priscilla Bacon Retail Limited (PBR). The directors of PBR are two of the Charity's trustees, who were joined in September 2022 by Diane Malone. Diane brings a wealth of commercial and HR expertise to PBR.

The Charity has also created a strong volunteer following and voluntary support assists the running of our retail shops and helps with the delivery of our fundraising activities. Professional volunteer groups (acting pro bono) also advise on matters of design and construction project work, business engagement, marketing and communication support, events, partnerships, payroll services and insurance.

Recruitment, induction and training of Trustees

New Trustees are appointed at a meeting of the Board and are confirmed at the Annual General Meeting. Trustee appointments are considered on the basis of skill sets and experience to ensure there is a balanced membership with an appropriate range of skills and expertise.

The Chairman inducts new Trustees and explains the Charity's policies and procedures. The senior executive ensures that Trustees are kept up to date with Charity Commission guidance and other regulatory changes.

Other relationships

The Charity has developed a range of relationships and partnerships with organisations delivering or supporting the provision of specialist palliative care and end of life care in Norfolk. In terms of our relationship with the NHS, the Charity works most closely with Norfolk Community Health and Care Trust (NCH&C Trust), the local

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

health care trust operating Priscilla Bacon Lodge. Throughout the reporting period the Charity has developed closer dialogue with NCH&C Trust as more detailed planning for the new hospice commences.

More widely, the Charity has actively engaged with many other organisations and charities in Norfolk and Waveney, including the Big C cancer charity with whom a partnership was announced in February 2019. The Charity also supports the work of the Priscilla Bacon Lodge Support Group, a volunteer group (and separate registered charity) who enhance the NHS-provided treatment at Priscilla Bacon Lodge with complementary therapies and other charitable support measures.

Risk Management

The Trustees are responsible for the management of the risks faced by Priscilla Bacon Norfolk Hospice Care Limited. They regularly assess the major risks to which the Charity is exposed, and they are satisfied that systems are in place to manage all identified risks.

The principal risks to the Charity are recorded on a Risk Register covering governance, operational, financial, environmental, external and compliance matters. The Risk Register is reviewed at Board of Trustees meetings. The key areas of risk management include financial management, building project management, business continuity, people and reputation.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Public Benefit

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

Policies and Objectives

The Charity was set up with the express intent of working in partnership with the existing teams at NCH&C Trust and Priscilla Bacon Lodge to develop palliative care services for the future; to invest in facilities and staff to ensure that we are able to provide the people of Norfolk and Waveney with the standard of palliative care we would all want for our families and friends.

Strategies for achieving objectives

The principal strategy was to design and implement a fundraising strategy to raise the £12.5 million required for the building of a new hospice. In 2017-2018 a retail presence was established with the aim of ensuring that, as much as practical, the costs of the fundraising campaign were covered by our retail operations. A small fundraising team was employed to create and implement a fundraising plan that enabled the public launch of the capital campaign in February 2019. During the year there was a change of personnel within the fundraising team, which now consists of two full-time and two part-time members of staff, who have continued to increase the profile of the Charity through coordinated fundraising initiatives.

As well as the work by the in-house team, which has garnered a tremendous level of support from Norfolk, Waveney and beyond, we have continued to receive very generous support through local businesses who have worked pro bono helping with our marketing strategy and the development of the design and build plan for the new hospice facility.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

ACHIEVEMENTS AND PERFORMANCE

Key financial performance indicators

The Charity has implemented controls to monitor financial performance, which are reviewed by the Audit Committee prior to Board of Trustees meetings. Control procedures, summarised in a Financial Systems and Controls Policy, include budgeting and cash flow forecasting and a weekly review of performance of each of the shops operated by PBR.

Review of Activities

The campaign strategy has three critical elements - campaign development; design and build process; and partnerships with the NHS and other organisations.

Campaign development

The raising of the Charity's profile has been a deliberate action to ensure as many people as possible are aware of the lack of capacity for the provision of specialist palliative care in Norfolk and Waveney.

It has been important for the appeal to be promoted in as many ways as possible using a website and social media, print media and engagement opportunities. The support of the Eastern Daily Press, as media partner, has been critical to the high level of local media coverage concerning the activities of the appeal.

The fundraising strategy has developed three key lines of operation. First, community events and low level fundraising have been strongly encouraged and supported by the fundraising team. The number and frequency of traditional fundraising activities has continued to improve after the Covid-19 interruption. Activities that had been cancelled on multiple occasions during the Pandemic took place, such as Run Norwich, the Inflatable 5K obstacle event and the Casino Royale Charity Ball, which were very successful for the Charity. The annual Reflect and Remember Carol Service returned to Norwich Cathedral and, for those unable to attend, the Service was streamed live to a further 700 people.

The Charity remains incredibly grateful to those volunteers and supporters across the county who organised fundraising events, and to all those who took part in a wide variety of activities which both benefitted the fundraising appeal and increased awareness of the campaign.

Second, the fundraising team, supported by a group of businesspeople acting in a voluntary capacity, has worked hard to engage local and national business to support the appeal. More than 50 businesses have made a cash donation to the appeal, and more than 20 have provided pro bono support or gifts in kind.

A new initiative to engage with local businesses was launched during the period. The "500 Club" was created to be a community of Norfolk businesses and organisations working together to help each other, whilst pledging support to build the new Priscilla Bacon Lodge. Benefits include networking opportunities, quarterly social events, team building and volunteering activities, health and wellbeing services and the opportunity to take part in charity challenges and events.

Third, applications to charitable trusts and foundations and structured approaches to potential major donors have been key elements of the campaign's success to date. More than 90 trusts and foundations have so far supported the appeal with a grant and/or pledge. The majority of these have been Norfolk or Suffolk based, clearly demonstrating the strength of local support for the appeal. We have also been pleased to receive further significant grants and pledges from trusts and foundations with national interests during the year.

Approaches and re-approaches have continued, and we are enormously grateful to all who have supported - and continue to support - the appeal. The extraordinary progress that has been made in such a short space of time is due to the generosity of so many who recognise the need for Priscilla Bacon Lodge and all that it will

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

offer to the people of Norfolk and north Suffolk.

In August 2022 the Charity was able to announce that we were raising the final £1 million of the £12.5 million fundraising target.

Design and build process

After a rigorous tender process the Trustees awarded the building contract for the new Priscilla Bacon Lodge to Morgan Sindall Construction and Infrastructure Limited, and work commenced on site at the end of January 2022.

A highly qualified Project Management Team has continued to monitor the construction process, refine the plans for the hospice building where necessary and ensure that the most effective and efficient construction types and methods are being employed. We are enormously grateful for the pro bono support we have been given through this process.

In February 2022 a groundbreaking ceremony took place, which was widely publicised in local media to indicate the launch of the construction phase of the campaign. A dry spring and summer enabled good progress on the build, which helped ensure that the schedule and budget for construction has been maintained.

Partnerships with the NHS and other organisations

A key element of the campaign has been to ensure that the necessary relationships and partnerships are established. We are very pleased to have developed an iterative working model with the Board and senior executive team at NCH&C Trust as the lead NHS trust that will oversee the resourcing and running of the new hospice facility.

A close working relationship has been developed with the newly formed Integrated Care Board for Norfolk and Waveney. During the year Dr Caroline Barry, Head of Palliative Care at Norfolk and Norwich University Hospitals NHS Foundation Trust, was appointed as Clinical Advisor to the Charity to help shape future strategy.

Our plans to create a centre of excellence for research and training in specialist palliative care are continuing to evolve. We are working with representatives from the National Institute for Health and Care Research Clinical Research Network (Eastern), Norwich Medical School and the School of Health Sciences at UEA to develop a framework for how education and research can be enabled.

The new Priscilla Bacon Lodge will be a unique facility, of national significance, with an opportunity to contribute to improving end of life care across the country.

We continue to work closely with the Priscilla Bacon Lodge Support Group (PBLSG), which has for many years promoted the work of Priscilla Bacon Lodge and provided charitable support to enhance the wellbeing of patients and assist with the development of staff. PBLSG has most generously supported the appeal providing over £2.75 million of donations and pledges. Their continued support has been a backbone to the capital campaign and is a lasting legacy of the pioneering care delivered at Priscilla Bacon Lodge over the last 40 years.

Retail Operations

Our trading subsidiary Priscilla Bacon Retail Limited (PBR) operates 8 shops in Norwich and suburban areas as well as market towns to the north-west and north-east of Norwich. The eighth shop, opened in Anglia Square during the year, has been a useful addition to the retail operation. The revenues generated by PBR directly support the wider fundraising aims of the Charity during the capital appeal and into the future. The broad spread in locations of the shops has also helped to increase awareness of the appeal.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

The warehouse in Drayton, attracts a huge volume of donations each week and the large team of well-trained volunteers sort stock donations efficiently to ensure that all goods achieve the greatest funds for the Charity. The warehouse also provides the logistics and administrative base for the shops and the Fundraising Office, which has allowed additional retail activity and diversification. The running of the shops is supported by a group of 150 volunteers.

Diane Malone joined the Board of Directors of PBR, and her wealth of commercial and HR experience is greatly appreciated by the Charity.

The Priscilla Bacon Hospice eBay store, along with Gumtree and Facebook, have continued to provide useful avenues of sale. A growth in sales has required the Online Sales team to increase in size. It is supported by a specialist team of volunteers and this has increased the profitability of the items selected for online sales platforms.

Changes to Key Personnel

There were no changes to Key Personnel during the financial year.

Key activities post 31 October 2022

On 24 November 2022, the Charity welcomed key stakeholders and partners to a ceremonial topping out ceremony at the new Priscilla Bacon Lodge to celebrate the momentous occasion of the building reaching its maximum height and becoming a watertight shell.

We have been working with NHS partners to develop a Palliative Care Alliance, which will provide a joined up approach to strategy development and service delivery for end of life services within the new hospice and across the community.

In December 2022, the Charity announced that it was raising the final £750,000 needed to complete the construction of the new facility.

Financial review

During the reporting year total income amounted to £4,741,197 (2021 - £4,854,235) and after incurring expenditure of £710,131 (2021 - £592,512) the total funds increased by £4,031,066 (2021 - £4,261,723).

In addition, donations in kind have been provided by a multitude of businesses and in the areas of design and construction project work, business engagement, marketing and communications support, events, partnerships, payroll services and insurance.

Reserves Policy

In line with Charity Commission guidance, Priscilla Bacon Norfolk Hospice Care Limited has developed a reserves policy that is appropriate for the Charity. The policy takes into account the need to set aside funds to manage uncertainty but also to support the funding of future planned and scheduled activities. This is achieved from the surplus generated by the retail operation and by apportioning 7% of donations and funds received for the capital appeal campaign.

Priscilla Bacon Norfolk Hospice Care Limited holds reserves to enable it to:

- a. Meet its contractual obligations (including committed administrative costs);
- b. Designate funds for future expenditure for the development of, and for the planning and support of the campaign to fundraise for, the new Priscilla Bacon Lodge; and
- c. Retain a sufficient margin of funds to meet the cost of unforeseen events.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

The free reserve will consist of unrestricted funds not invested in tangible fixed assets or designated for specific purposes. The Trustees target for free reserves is £86,500, which represents 3 months of operating costs along with redundancy costs for the Charity.

The majority of the unrestricted reserves of the Charity relate to the capital appeal for the new hospice; these include pledges, grants and donations intended for the capital appeal. Any surplus unrestricted reserves are directed towards the capital appeal also.

The Trustees formally review the level of reserves annually, taking into account the financial outlook of the Charity and all relevant circumstances that will impact on both its income and expenditure in the future. The Charity is in the process of building up the reserves as set out in this policy, with the aim to keep the level of free reserves at or above the target level.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

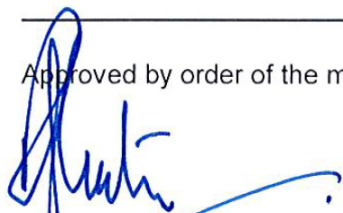
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Approved by order of the members of the board of Trustees and signed on their behalf by:



Robert Carter DL
Chairman Board of Trustees
Date: 25 April 2023

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED

Opinion

We have audited the financial statements of Priscilla Bacon Norfolk Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 October 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 October 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

- Enquiries with management and those charged with governance about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing Board minutes;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the charitable company operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Employment law; GDPR; and compliance with the UK Companies Act and Charities Act.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED (CONTINUED)

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Julie Grimmer FCA DChA (Senior statutory auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

Norwich

Date:

11 May 2023

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2022**

| | Note | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 3,886,004 | - | 3,886,004 | 4,390,065 |
| Other trading activities | 4 | 836,724 | - | 836,724 | 331,407 |
| Investments | 5 | 18,469 | - | 18,469 | 2,685 |
| Other income | 6 | - | - | - | 130,078 |
| Total income | | 4,741,197 | - | 4,741,197 | 4,854,235 |
| Expenditure on: | | | | | |
| Raising funds | 7 | 563,186 | - | 563,186 | 484,871 |
| Charitable activities | | 146,945 | - | 146,945 | 107,641 |
| Total expenditure | | 710,131 | - | 710,131 | 592,512 |
| Net income | | 4,031,066 | - | 4,031,066 | 4,261,723 |
| Transfers between funds | 17 | (6,188,775) | 6,188,775 | - | - |
| Net movement in funds | | (2,157,709) | 6,188,775 | 4,031,066 | 4,261,723 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 8,489,892 | 5,000 | 8,494,892 | 4,233,169 |
| Net movement in funds | | (2,157,709) | 6,188,775 | 4,031,066 | 4,261,723 |
| Total funds carried forward | | 6,332,183 | 6,193,775 | 12,525,958 | 8,494,892 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 09832765

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2022

| | Note | 2022 £ | 2021 £ |
|--|------|--------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 12 | 1,300 | 2,860 |
| Tangible assets | 13 | 6,210,626 | 916,976 |
| | | <u>6,211,926</u> | <u>919,836</u> |
| Current assets | | | |
| Debtors | 15 | 2,827,184 | 96,943 |
| Cash at bank and in hand | | 4,409,084 | 7,641,892 |
| | | <u>7,236,268</u> | <u>7,738,835</u> |
| Creditors: amounts falling due within one year | 16 | (922,236) | (163,779) |
| Net current assets | | <u>6,314,032</u> | <u>7,575,056</u> |
| Total net assets | | <u><u>12,525,958</u></u> | <u><u>8,494,892</u></u> |
| Charity funds | | | |
| Restricted funds | 17 | 6,193,775 | 5,000 |
| Unrestricted funds | 17 | 6,332,183 | 8,489,892 |
| Total funds | | <u><u>12,525,958</u></u> | <u><u>8,494,892</u></u> |

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Robert Carter DL


Iain Mawson

Date: 25 April 2023

The notes on pages 18 to 41 form part of these financial statements.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 09832765

CHARITY BALANCE SHEET
AS AT 31 OCTOBER 2022

| | Note | 2022 £ | 2021 £ |
|--|------|--------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 12 | 1,300 | 2,860 |
| Tangible assets | 13 | 6,196,976 | 895,665 |
| Investments | 14 | 100 | 100 |
| | | <u>6,198,376</u> | <u>898,625</u> |
| Current assets | | | |
| Debtors | 15 | 2,794,749 | 72,963 |
| Cash at bank and in hand | | 4,322,299 | 7,527,212 |
| | | <u>7,117,048</u> | <u>7,600,175</u> |
| Creditors: amounts falling due within one year | 16 | (914,334) | (142,254) |
| Net current assets | | <u>6,202,714</u> | <u>7,457,921</u> |
| Total net assets | | <u><u>12,401,090</u></u> | <u><u>8,356,546</u></u> |
| Charity funds | | | |
| Restricted funds | 17 | 50,000 | 5,000 |
| Unrestricted funds | 17 | 12,351,090 | 8,351,546 |
| Total funds | | <u><u>12,401,090</u></u> | <u><u>8,356,546</u></u> |

The Charity's net movement in funds for the year was £4,044,544 (2021 - £4,242,817).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Robert Carter DL

Date: 25 April 2023


Iain Mawson

The notes on pages 18 to 41 form part of these financial statements.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022

| | 2022 £ | 2021 £ |
|---|--------------------|------------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 2,059,252 | 4,555,786 |
| Cash flows from investing activities | | |
| Interest received | 18,469 | 2,685 |
| Purchase of tangible fixed assets | (5,310,529) | (851,541) |
| Net cash used in investing activities | (5,292,060) | (848,856) |
| Change in cash and cash equivalents in the year | (3,232,808) | 3,706,930 |
| Cash and cash equivalents at the beginning of the year | 7,641,892 | 3,934,962 |
| Cash and cash equivalents at the end of the year | 4,409,084 | 7,641,892 |

The notes on pages 18 to 41 form part of these financial statements

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

1. General information

Priscilla Bacon Norfolk Hospice Care Limited is a company limited by guarantee domiciled in England and Wales, registration number 09832765. The registered office is 7 The Close, Norwich, Norfolk, England, NR1 4DJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

2. Accounting policies (continued)

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated professional services and donated facilities are recognised as a gift, on receipt, on the basis of the value that the company would have been willing to pay to obtain the services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. General volunteer time is not valued and recognised in the financial statements.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Donated assets are recognised as a gift, when the risks and rewards attached to ownership are transferred. Donated assets are recognised at fair value taking into account any restrictions on those assets imposed by the donor.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

2. Accounting policies (continued)

2.3 Expenditure (continued)

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

| | |
|----------|----------------------|
| Software | - 20 % straight line |
|----------|----------------------|

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives .

Depreciation is provided on the following bases:

| | |
|---------------------------------|--|
| Fixtures and fittings | - 3-6 years straight line |
| Leasehold property improvements | - 3 years straight line |
| Equipment | - 3 years straight line |
| Computer equipment | - 3 years straight line |
| Assets under construction | - No depreciation until transferred and brought into use |

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and 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.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.11 Financial instruments

The Group 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.

2.12 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

3. Income from donations and legacies

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-----------|--|--|---------------------------------------|
| Donations | 471,614 | - | 471,614 |
| Legacies | 15,240 | - | 15,240 |
| Grants | 3,376,917 | - | 3,376,917 |
| Gift aid | 22,233 | - | 22,233 |
| | <u>3,886,004</u> | <u>-</u> | <u>3,886,004</u> |

As set out more fully in note 25, in December 2021 the charity received a gift of 7.393 acres of land at Colney, Norfolk. This land is to become the site of the new Priscilla Bacon Lodge Hospice. The trustees considered the fair value of the land at the date of the gift and took professional advice on this matter. In view of the very specific and restricted use attaching to the use of the land, and as professional advice has indicated that the value of the land is immaterial in the context of the value of the total hospice construction, the trustees have concluded that it is not possible to determine an accurate fair value for the land at the date of the gift. As a result, no value has been attributed to the gift of land in the financial statements.

| | <i>Unrestricted funds 2021 £</i> | <i>Restricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|-----------|--|--|---------------------------------------|
| Donations | 304,512 | 10,760 | 315,272 |
| Legacies | 15,254 | - | 15,254 |
| Grants | 4,038,480 | - | 4,038,480 |
| Gift aid | 21,059 | - | 21,059 |
| | <u>4,379,305</u> | <u>10,760</u> | <u>4,390,065</u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

4. Income from other trading activities

Income from fundraising events

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--------------------|--|---------------------------------------|
| Fundraising income | 140,684 | 140,684 |

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|--------------------|--|---------------------------------------|
| Fundraising income | 104,979 | 104,979 |

Income from non charitable trading activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---------------|--|---------------------------------------|
| Donated goods | 696,040 | 696,040 |

Non-charitable trading income relates to the retail charity shops operated by the wholly owned subsidiary company Priscilla Bacon Retail Limited.

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|---------------|--|---------------------------------------|
| Donated goods | 226,428 | 226,428 |

Non-charitable trading income relates to the retail charity shops operated by the wholly owned subsidiary company Priscilla Bacon Retail Limited.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

5. Investment income

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---------------|--|---------------------------------------|
| Bank Interest | 18,469 | 18,469 |

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|---------------|--|---------------------------------------|
| Bank Interest | 2,685 | 2,685 |

6. Other incoming resources

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|--|--|---------------------------------------|
| Coronavirus Job Retention Scheme | 42,057 | 42,057 |
| Retail, Hospitality and Leisure Grant Fund | 88,021 | 88,021 |
| | 130,078 | 130,078 |

During the prior year, the Group received £42,057 of exceptional government funding as part of the Coronavirus Job Retention Scheme. Funding represents the costs of employing certain staff, unable to carry out their duties as a result of the global pandemic.

In the prior year the Group also received £88,021 of additional government funding as part of the Retail, Hospitality and Leisure Grant Fund. As part of this, the Company received one-off cash grants to support the running costs of the charity shops operated by the Group.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

7. Expenditure on raising funds

Fundraising trading expenses

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|--|---------------------------------------|
| Retail costs | 135,424 | 135,424 |
| Rent | 43,640 | 43,640 |
| Legal and professional | 133 | 133 |
| Consultancy | 24,073 | 24,073 |
| Staff costs | 334,380 | 334,380 |
| National insurance | 12,930 | 12,930 |
| Pensions | 3,383 | 3,383 |
| Depreciation and amortisation | 9,223 | 9,223 |
| | <u>563,186</u> | <u>563,186</u> |
| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
| Retail costs | 75,945 | 75,945 |
| Rent | 36,054 | 36,054 |
| Legal and professional | 3,900 | 3,900 |
| Consultancy | 24,962 | 24,962 |
| Staff costs | 308,321 | 308,321 |
| National insurance | 9,302 | 9,302 |
| Pensions | 2,777 | 2,777 |
| Depreciation and amortisation | 23,610 | 23,610 |
| | <u>484,871</u> | <u>484,871</u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

8. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|-----------------------|--|---|---------------------------------------|
| Charitable activities | 112,057 | 34,888 | 146,945 |

| | <i>Activities undertaken directly 2021 £</i> | <i>Support costs 2021 £</i> | <i>Total funds 2021 £</i> |
|-----------------------|--|---|---------------------------------------|
| Charitable activities | 81,380 | 26,261 | 107,641 |

Analysis of direct costs

| | Activities 2022 £ | Total funds 2022 £ |
|--------------------------|----------------------------------|---------------------------------------|
| Staff costs | 28,982 | 28,982 |
| Fundraising costs | 9,987 | 9,987 |
| Marketing and engagement | 2,190 | 2,190 |
| Consultancy | 70,898 | 70,898 |
| | 112,057 | 112,057 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

| | <i>Activities 2021 £</i> | <i>Total funds 2021 £</i> |
|--------------------------|----------------------------------|---------------------------------------|
| Staff costs | 20,346 | 20,346 |
| Fundraising costs | 563 | 563 |
| Marketing and engagement | 2,228 | 2,228 |
| Consultancy | 58,243 | 58,243 |
| | <u>81,380</u> | <u>81,380</u> |

Analysis of support costs

| | <i>Activities 2022 £</i> | <i>Total funds 2022 £</i> |
|----------------------------------|----------------------------------|---------------------------------------|
| Travel costs | 36 | 36 |
| Communications | 1,594 | 1,594 |
| Computer costs | 3,843 | 3,843 |
| Bank charges | 1,232 | 1,232 |
| Sundry expenses | 8,138 | 8,138 |
| Accountancy and payroll | 14,658 | 14,658 |
| Printing, postage and stationery | 5,387 | 5,387 |
| | <u>34,888</u> | <u>34,888</u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Activities 2021 £</i> | <i>Total funds 2021 £</i> |
|----------------------------------|----------------------------------|---------------------------------------|
| Travel costs | 1,392 | 1,392 |
| Communications | 1,555 | 1,555 |
| Computer costs | 3,285 | 3,285 |
| Bank charges | 1,224 | 1,224 |
| Sundry expenses | 4,131 | 4,131 |
| Accountancy and payroll | 11,400 | 11,400 |
| Printing, postage and stationery | 3,274 | 3,274 |
| | <u>26,261</u> | <u>26,261</u> |

9. Auditors' remuneration

| | 2022 £ | 2021 £ |
|--|----------------------|---------------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | <u>12,500</u> | <u>9,000</u> |

10. Staff costs

| | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | 356,839 | 319,238 | 93,059 | 107,833 |
| Social security costs | 17,428 | 16,331 | 4,498 | 7,029 |
| Contribution to defined contribution pension schemes | 5,408 | 5,177 | 2,025 | 2,400 |
| | <u>379,675</u> | <u>340,746</u> | <u>99,582</u> | <u>117,262</u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

10. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

| | Group 2022 No. | <i>Group 2021 No.</i> | Charity 2022 No. | <i>Charity 2021 No.</i> |
|-----------|-------------------------------|-------------------------------|---------------------------------|---------------------------------|
| Employees | 26 | 22 | 3 | 3 |

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel (KMP) of the Charity are represented by the Trustees who are not remunerated, the Charity's CEO, Head of Operations and Fundraising and Project Manager. During the period the total KMP compensation totalled £51,288 (2021: £31,267), which consists of gross pay, employers NI and employers' pension costs.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration, expenses or other benefits (2021 - £NIL).

12. Intangible assets

Group and Charity

| | Computer software £ |
|-----------------------|------------------------------------|
| Cost | |
| At 1 November 2021 | 7,800 |
| At 31 October 2022 | <u>7,800</u> |
| Amortisation | |
| At 1 November 2021 | 4,940 |
| Charge for the year | 1,560 |
| At 31 October 2022 | <u>6,500</u> |
| Net book value | |
| At 31 October 2022 | <u><u>1,300</u></u> |
| At 31 October 2021 | <u><u>2,860</u></u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

13. Tangible fixed assets

Group

| | Asset in course of construction £ | Leasehold property improvements £ | Fixtures and fittings £ | Equipment £ | Total £ |
|--------------------------|--|--|----------------------------------|----------------------|-------------------------|
| Cost or valuation | | | | | |
| At 1 November 2021 | 880,286 | 1,065 | 168,965 | 29,382 | 1,079,698 |
| Additions | 5,308,489 | 246 | 1,309 | 485 | 5,310,529 |
| At 31 October 2022 | <u>6,188,775</u> | <u>1,311</u> | <u>170,274</u> | <u>29,867</u> | <u>6,390,227</u> |
| Depreciation | | | | | |
| At 1 November 2021 | - | 355 | 153,752 | 8,615 | 162,722 |
| Charge for the year | - | 437 | 7,688 | 8,754 | 16,879 |
| At 31 October 2022 | <u>-</u> | <u>792</u> | <u>161,440</u> | <u>17,369</u> | <u>179,601</u> |
| Net book value | | | | | |
| At 31 October 2022 | <u><u>6,188,775</u></u> | <u><u>519</u></u> | <u><u>8,834</u></u> | <u><u>12,498</u></u> | <u><u>6,210,626</u></u> |
| At 31 October 2021 | <u><u>880,286</u></u> | <u><u>710</u></u> | <u><u>15,213</u></u> | <u><u>20,767</u></u> | <u><u>916,976</u></u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

13. Tangible fixed assets (continued)

Group (continued)

Charity

| | Asset in course of construction £ | Fixtures and fittings £ | Equipment £ | Total £ |
|--------------------------|--|-------------------------------|----------------|------------------|
| Cost or valuation | | | | |
| At 1 November 2021 | 880,286 | 167,921 | 5,407 | 1,053,614 |
| Additions | 5,308,489 | - | 485 | 5,308,974 |
| At 31 October 2022 | <u>6,188,775</u> | <u>167,921</u> | <u>5,892</u> | <u>6,362,588</u> |
| Depreciation | | | | |
| At 1 November 2021 | - | 153,404 | 4,545 | 157,949 |
| Charge for the year | - | 6,904 | 759 | 7,663 |
| At 31 October 2022 | <u>-</u> | <u>160,308</u> | <u>5,304</u> | <u>165,612</u> |
| Net book value | | | | |
| At 31 October 2022 | <u>6,188,775</u> | <u>7,613</u> | <u>588</u> | <u>6,196,976</u> |
| At 31 October 2021 | <u>880,286</u> | <u>14,517</u> | <u>862</u> | <u>895,665</u> |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

14. Fixed asset investments

| Charity | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 November 2021 | 100 |
| At 31 October 2022 | 100 |
| Net book value | |
| At 31 October 2022 | 100 |
| At 31 October 2021 | 100 |

The following was a subsidiary undertaking of the Charity:

| Name | Company number | Registered office or principal place of business | Class of shares | Holding |
|--------------------------------|---------------------------|---|----------------------------|----------------|
| Priscilla Bacon Retail Limited | 11695945 | 7 The Close, Norwich, Norfolk, NR1 4DJ | Ordinary | 100% |

**Included in
consolidation**

Yes

The financial results of the subsidiary for the year were:

| Name | Income £ | Expenditure £ | Profit for the year £ | Net assets £ |
|--------------------------------|---------------------|--------------------------|--------------------------------------|-------------------------|
| Priscilla Bacon Retail Limited | 696,040 | (454,040) | 242,022 | 124,968 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

15. Debtors

| | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|--------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Due within one year | | | | |
| Trade debtors | 7,005 | 6,568 | 4,936 | - |
| Other debtors | 2,770,451 | 16,652 | 2,754,244 | 4,382 |
| Prepayments and accrued income | 49,728 | 73,723 | 35,569 | 68,581 |
| | 2,827,184 | 96,943 | 2,794,749 | 72,963 |

Included in Other debtors is a balance of £2,752,299 (2021: £Nil) relating to funds held in Escrow by a third party on behalf of Priscilla Bacon Norfolk Hospice Care Limited.

16. Creditors: Amounts falling due within one year

| | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade creditors | 41,144 | 100,156 | 35,172 | 89,206 |
| Amounts owed to group undertakings | - | - | 8,313 | 4,656 |
| Other taxation and social security | 6,014 | 3,549 | 4,552 | 1,242 |
| Other creditors | 153,111 | 9,722 | 151,330 | 280 |
| Accruals and deferred income | 721,967 | 50,352 | 714,967 | 46,870 |
| | 922,236 | 163,779 | 914,334 | 142,254 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

17. Statement of funds

Statement of funds - current year

| | Balance at 1 November 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 October 2022 £ |
|---------------------------|---------------------------------------|------------------|------------------|--------------------------|---------------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 8,489,892 | 4,741,197 | (710,131) | (6,188,775) | 6,332,183 |
| Restricted funds | | | | | |
| Hospice Construction | - | - | - | 6,188,775 | 6,188,775 |
| Garden Design | 5,000 | - | - | - | 5,000 |
| | 5,000 | - | - | 6,188,775 | 6,193,775 |
| Total of funds | 8,494,892 | 4,741,197 | (710,131) | - | 12,525,958 |

Restricted Funds

Hospice Construction - the transfer to this restricted fund reflects that the Hospice is under construction, the funds are restricted due to the nature of the asset.

In the prior year £5,000 was received to support the garden design costs for the Hospice.

Unrestricted Funds

At the year end, with the exception of funds required for the day to day administration, all unrestricted funds were earmarked for use in the Hospice Construction.

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

17. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 November 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Balance at 31 October 2021 £</i> |
|---------------------------|---|---------------------|--------------------------|-----------------------------------|---|
| Unrestricted funds | | | | | |
| General Funds | 4,094,799 | 4,843,475 | (592,512) | 144,130 | 8,489,892 |
| Restricted funds | | | | | |
| Capital appeal fund | 87,657 | - | - | (87,657) | - |
| Hospice Construction | 50,713 | - | - | (50,713) | - |
| R G Carter - VAT costs | - | 5,760 | - | (5,760) | - |
| Garden Design | - | 5,000 | - | - | 5,000 |
| | 138,370 | 10,760 | - | (144,130) | 5,000 |
| Total of funds | 4,233,169 | 4,854,235 | (592,512) | - | 8,494,892 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 21,851 | 6,188,775 | 6,210,626 |
| Intangible fixed assets | 1,300 | - | 1,300 |
| Current assets | 7,231,268 | 5,000 | 7,236,268 |
| Creditors due within one year | (922,236) | - | (922,236) |
| Total | 6,332,183 | 6,193,775 | 12,525,958 |

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2021 £</i> | <i>Restricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|-------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 916,976 | - | 916,976 |
| Intangible fixed assets | 2,860 | - | 2,860 |
| Current assets | 7,733,835 | 5,000 | 7,738,835 |
| Creditors due within one year | (163,779) | - | (163,779) |
| Total | 8,489,892 | 5,000 | 8,494,892 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

19. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2022 £ | <i>Group 2021 £</i> |
|--|-----------------------------|-----------------------------|
| Net income for the year (as per Statement of Financial Activities) | 4,031,066 | 4,261,723 |
| Adjustments for: | | |
| Depreciation charges | 16,879 | 22,050 |
| Amortisation charges | 1,560 | 1,560 |
| Investment income | (18,469) | (2,685) |
| (Increase)/decrease in debtors | (2,730,241) | 126,704 |
| Increase in creditors | 758,457 | 146,434 |
| Net cash provided by operating activities | 2,059,252 | 4,555,786 |

20. Analysis of cash and cash equivalents

| | Group 2022 £ | <i>Group 2021 £</i> |
|--|-----------------------------|-----------------------------|
| Cash in hand | 4,409,084 | 7,641,892 |
| Total cash and cash equivalents | 4,409,084 | 7,641,892 |

21. Analysis of changes in net debt

| | At 1 November 2021 £ | Cash flows £ | At 31 October 2022 £ |
|--------------------------|---|-------------------------|---|
| Cash at bank and in hand | 7,641,892 | (3,232,808) | 4,409,084 |
| | 7,641,892 | (3,232,808) | 4,409,084 |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

22. Capital commitments

| | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Contracted for but not provided in these financial statements | | | | |
| Construction of new hospice | 6,815,780 | - | 6,815,780 | - |

PRISCILLA BACON NORFOLK HOSPICE CARE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

23. Pension commitments

The group operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £5,408 (2021: £5,177). Contributions totalling £498 (2021: £347) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 October 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Not later than 1 year | 14,719 | 21,640 | 9,343 | 21,640 |
| Later than 1 year and not later than 5 years | 10,685 | 3,343 | 1,332 | 3,343 |
| | 25,404 | 24,983 | 10,675 | 24,983 |

25. Related party transactions

The financial statements include expenses totalling £6,414 (2021: £9,364) charged by RG Carter Limited and RG Carter Technical Services Limited (both companies are under the control of R Carter) of which £3,227 (2021: £7,397) is included within creditors at the year end.

The financial statements also include expenditure of £2,793 (2021: £35,719) charged by RG Carter Limited (a company under the control of R Carter) in respect of project management services.

The financial statements include expenses totalling £591 (2021: £884) charged by Sonata Security Limited (a company under the control of R Carter), of which £270 (2021: £nil) is included within creditors at the year end.

In December 2021, Bullen Developments Ltd, a company in the RG Carter Group, which is under the control of the family of the trustee Robert Carter, gifted 7.393 acres of land at Colney, Norfolk to become the site of the new Priscilla Bacon Lodge Hospice. The trustees considered the fair value of the land at the date of the gift and took professional advice on this matter. In view of the very specific and restricted use attaching to the land, and as professional advice indicated that the value of the land is immaterial within the context of the value of the total hospice construction, the trustees have concluded that it is not possible to determine an accurate fair value of the land at the date of the gift. As a result no value has been attributed to the gift of land in the financial statements.

All transactions with related parties were made in line with the Charity's Conflict of Interest policy.