

HOSPICE IN THE WEALD

England & Wales · Charity number 280276

Details

Other names THE CARE FOUNDATION LIMITED

Status Registered

Legal form Charitable company

Company number [01499846](#)

Registered 1980-06-27

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

Contact

Address Hospice in the Weald
Maidstone Road
Pembury
Tunbridge Wells
TN2 4TA

Phone 01892820500

Email info@hospiceintheweald.org.uk

Website www.hospiceintheweald.org.uk

Activities

Objects: TO PROMOTE THE RELIEF OF SICKNESS IN SUCH CHARITABLE WAYS AS THE HOSPICE SHALL FROM TIME TO TIME THINK FIT, AND IN PARTICULAR:- (A) TO PROMOTE THE CARE WITHOUT LIMITATIONS OF SEX, RACE OR AGE, OF PERSONS SUFFERING FROM TERMINAL ILLNESS OR INTRACTABLE PAIN WHETHER IN HOSPITAL, NURSING HOMES, CLINICS OR THEIR OWN HOMES AND TO PROVIDE MEDICAL NURSING AND OTHER TREATMENT AND ATTENTION (B) TO CONDUCT, PROMOTE AND ENCOURAGE RESEARCH INTO THE CARE AND TREATMENT OF SUFFERERS FROM TERMINAL ILLNESS OR INTRACTABLE PAIN TO MAKE PUBLICLY AVAILABLE THE RESULTS OF SUCH RESEARCH. (FOR FURTHER DETAILS SEE CLAUSE 1 OF THE MEMORANDUM OF ASSOCIATION).

Activities: Hospice services provided to patients, carers and their families in West Kent and East Sussex

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** KENT, EAST SUSSEX, WEST SUSSEX
- East Sussex
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£15,881,280	£15,402,101	£32,400,919	248
2024-03-31	£13,862,761	£12,629,781	£31,709,861	232
2023-03-31	£12,998,322	£11,453,570	£29,102,533	233
2022-03-31	£11,048,294	£11,065,946	£28,080,367	221
2021-03-31	£10,894,723	£10,426,003	£27,193,129	258

Trustees

Name	Role	Appointed
Gary Withers	Chair	2020-09-01
Dr Andrew LONG		2023-07-18
Dr Susan Jane Grieve		2020-07-14
Dr TIM PALMER		2023-12-05
Helen Pullen		2024-05-14
Iain Bernard Newman		2025-02-11
Jacqueline Nicola Churchward-Cardiff		2025-02-11
Linda King		2022-11-01
Paul Stevenson		2023-07-18
Sara Jane Nelson		2025-02-11

HOSPICE IN THE WEALD

England & Wales - Charity number 280276

Accounts



HOSPICE IN THE WEALD

ANNUAL REPORT
(and consolidated financial statements)

YEAR ENDED 31 MARCH 2025

Charity No. 280276
Company Registration No 01499846 (England and Wales)

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I am proud to present this year's Annual Report, looking back on what has been a remarkable year for Hospice in the Weald. Once again, the resilience, generosity, and dedication of our community, staff, and volunteers has enabled us to continue offering outstanding care and to plan ambitiously for the future.

We began the year by celebrating the first birthday of our Children's Service, which has already provided care and support to more than 80 children, parents, and siblings across Kent and East Sussex. The service has grown rapidly, expanding its team and offering a range of services, including home visits, respite care, and joyful memory-making activities. Moments such as the popular, festive parties, designed to be fully inclusive and accessible, underline the difference this service is making for families.

The generosity of our community has once again been extraordinary. In just 36 hours, we raised over £400,000 in our *Every Moment Counts* campaign from a combination of donations and matched funding. Our flagship Moonlight Walk brought together more than 500 walkers — and even a cat in a pram — raising over £100,000, while Hospice Run welcomed over 1,000 runners of all ages and raised £77,000. From skydives to our Christmas tree recycling scheme, every fundraising initiative has shown how people come together with creativity and passion to support Hospice care. We were proud to see our work recognised nationally when our *All the Difference* campaign won Legacy Campaign of the Year at the Smee & Ford Legacy Giving Awards. The campaign highlighted the lasting impact of Gifts in Wills, encouraging supporters to create moments that matter for future generations.

This has been a year of investing in our future, too. At Pembury, we installed solar panels, part of our commitment to sustainability, while making essential repairs to our ward roof in preparation for refurbishment. In Tonbridge, we opened our largest ever Superstore, extending our retail reach and giving the community another sustainable and affordable way to shop. And most importantly, we announced our exciting refurbishment and transformation programme: upgrading our Hospice in Pembury, re-opening in-patient services at Cottage Hospice in Five Ashes and developing a brand-new centre for Children and Young People. This ambitious programme will ensure that we can continue to provide the best care in the best environments for many years to come.

We were also delighted to welcome colleagues from Maison Médicale Jeanne Garnier, the largest palliative care centre in France, who visited us to learn about our models of care. Sharing knowledge and learning from others is an important part of our role in shaping the future of palliative care, not just locally, but internationally.

Like many healthcare organisations, we continue to face significant challenges — rising costs, pressures in recruiting experienced nursing staff, and increasing demand for our services. These are real concerns, but they also remind us of the importance of our mission and the need for continued investment in our people, our infrastructure, and our services.

None of what we have achieved this year would have been possible without the extraordinary commitment of our staff, volunteers, and community of supporters. Whether you have given your time, taken part in an event, donated, or simply shared our story, you have helped ensure that no one faces terminal illness alone.

As we look to the year ahead, I am filled with gratitude and optimism. Together, we will continue to build on strong foundations, ensuring that Hospice in the Weald is here for everyone who needs us — today and in the future. My sincere thanks to you all.

Gary Withers
Chair of Trustees

Charity Information**Charity Registration Number** 01499846**Trustees**

Mr G Withers	
Ms J Churchward-Cardiff	Appointed 11 th February 2025
Ms S Cockaday	Resigned 5 th December 2024
Ms J Ford	Resigned 5 th December 2024
Dr S Grieve	
Mr E Wesson	Resigned 5 th December 2024
Ms L King	
Ms C Ratnayake	Resigned 11 th February 2025
Dr A Long	
Ms S Nelson	Appointed 11 th February 2025
Mr I Newman	Appointed 11 th February 2025
Dr T Palmer	
Ms H Pullen	Appointed 14 th May 2024
Mr P Stevenson	

Hospice Leadership Team

Mr N Farthing	Chief Executive
Mr G Armitage	Director of People & Culture appointed 1 st May 2024
Ms L Basson	Director of Quality Governance appointed 8 th February 2025
Dr S Beaumont	Interim Chief Clinical Officer appointed 16 th April 2025
Ms M Harvey	Director of Transformation & Improvement appointed 15 th July 2024
Ms K Jones	Director of Quality Governance appointed 18 th November 2024 resigned 7 th February 2025
Ms K Greywood	Income Generation Director
Mr P Madden	Director of Care Operations
Mr A Stott	Operations Director – resigned 1 st April 2025
Ms J Thirkettle (QN)	Director of Clinical Excellence
Ms S Winn	Finance Director

Patrons

Mr Greg Clark (former MP)
 Mr Chris Cowdrey
 Mr Rob Eades
 Mr Tim Edmunds
 Ms Nusrat Ghani MP
 Ms Helen Grant MP
 Mr Tom Tugendhat MP

President

Mr Simon Lee

Vice Presidents	Mr Peter Bennellick Mrs Sonia Burt Mr Martin Dace Mr Brian Dudley Sir Jeremy Elwes Mr Peter Lewis
Vice Presidents (Non-members)	Mr David Payne Mr Richard Snow
Registered Address	Maidstone Road Pembury Kent TN2 4TA
Independent Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Lloyds Bank Plc 82 Mount Pleasant Road Tunbridge Wells Kent TN1 1RP
Investment Managers	Sarasin & Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (“the Charities SORP”) and Financial Reporting Standard (FRS) 102 in preparing the annual report and financial statements of the Charity. The Charity is a charitable company limited by guarantee and was established on 27 June 1980. The Charity is governed by its Memorandum and Articles of Association whose objects are entirely charitable.

Charitable Objects

The objects for which the Charity is established are:

To promote the relief of sickness in such charitable ways as the Charity shall from time to time think fit, and in particular (but without prejudice to the generality of such object):

- to promote the care without limitation of sex, race or age, of persons suffering from terminal illness or intractable pain whether in hospitals, nursing homes, clinics or their own homes and to provide medical nursing and other treatment and attention according to their needs, together with guidance and assistance for those caring for them;
- to conduct, promote and encourage research into the care and treatment of sufferers from terminal illness or intractable pain and to make publicly available the results of such research and to promote, encourage and assist in the teaching and training of doctors, nurses, physiotherapists, psychologists and other persons engaged in the care of such sufferers.

Hospice in the Weald serves a population of over 400,000 people covering an area of over 400 square miles of West Kent and East Sussex. It delivers a multi-professional service to improve the quality of life for patients with a terminal illness and those important to the patient.

Organisational Structure, Governance and Management

The Charity is established for the purposes expressed in the Articles of Association. The Trustees are expected to serve an initial term of three years and can then be re-elected to serve a further term to not normally exceed six years in total. The Board considers any Trustee vacancies to ensure that there remains on the Board a balance of skills, diversity and experience. Prospective Trustees are interviewed by the Chairman and at least two other Trustees and meet with the Chief Executive. New Trustees receive induction arranged by the Chief Executive and, in advance, receive key documents to allow them to understand the organisation.

Trustees do not receive any remuneration but are entitled to be reimbursed for any expenses incurred in attending Board meetings. No expenses were claimed during the year (2024 - £nil).

The appointment, resignation or retirement of Trustees is announced at the Charity’s Annual General Meeting (AGM).

Trustees have ultimate responsibility for the Charity. They meet at least four times a year to review the strategy and performance of the Charity and to set objectives, operating plans and budgets and approve the annual accounts.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Committees

Separate committees have been established to provide specific support and guidance to the Chief Executive and the Hospice Leadership Team (HLT). Each committee is chaired by a Trustee and determines the frequency and content of its meetings depending on the needs of the organisation. The terms of reference for each committee are reviewed by the Board once a year and the Chairman is ex-officio on all committees. The Chair of each committee gives a report to the full body of Trustees at Board meetings. As part of the governance review that began in 23/24, the Adult and Children's Clinical Governance Committees were amalgamated to form the Quality of Care Committee in June 2024.

Committee Membership: -

Finance and Commercial Committee: Mr P Stevenson (Chair), Ms L King, Ms S Nelson (appointed 11th February 2025), Mr I Newman (appointed 11th February 2025), Ms H Pullen (appointed 14th May 2025), Mr N Farthing, Mr G Withers (ex-officio), Ms K Greywood, Ms S Winn,

Quality of Care Committee: Dr T Palmer (Chair), Dr S Grieve, Ms S Nelson (appointed 11th February 2025), Ms J Churchward-Cardiff (appointed 11th February 2025), Ms J Thirkettle, Mr P Madden, Mr N Farthing, Ms L Basson (appointed 8th February), Mr G Armitage, Mr G Withers (ex-officio)

Risk Committee: Ms L King (Chair), Mr P Stevenson, Mr I Newman (appointed 11th February 2025), Ms H Pullen (appointed 14th May 2025), Dr A Long, Mr N Farthing, Ms L Basson (appointed 8th February 2025), Ms S Winn, Mr G Withers (ex-officio).

The Trustees delegate authority for the day-to-day management of the Charity and its subsidiary company to its appointed Chief Executive, supported by the Hospice Leadership Team with specialist and individual responsibility for all functional activities. The subsidiary (trading) company has a Board of Directors and operates at arm's length from the charity.

Trustee Training

On joining the Board, all new Trustees undergo an induction process and are made aware of the Charity Commission's Charity Trustee Welcome Pack and online training provision. The Trustees may organise their own training and development as individuals and are responsible for completing any mandatory training required by the Charity. They will be provided with relevant training collectively, as a Board, by the Hospice. The Hospice Leadership team and the Trustees meet once a year for a Development Day, to focus on determining strategy and joint learning.

Public Benefit

The presumption of public benefit was removed by the Charities Act 2011. Charities are therefore required to demonstrate public benefit. The objects of Hospice in the Weald are set out on page 7. Accordingly the charitable purposes of Hospice in the Weald fall within the criteria of Section 2 of the Charities Act 2011 and thereby the organisation, which has been established exclusively for charitable purposes, is for public benefit. In planning the activities for the year, the Trustees have given careful regard to the Charity Commission's guidance on public benefit and considered its implications for the Charity.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

Related Party Disclosures

We need to make disclosures in respect of 'related party disclosures' as FRS 102 requires disclosure of group transactions such as those in note 22. It is also prudent in this annual report to make clear that some of the income derived through our charity shops is undertaken by a trading company. We have three of the Charity Trustees, including the Chairman, who act as the Directors of the trading company. The CEO and Head of Retail work alongside them and also act as Directors of the trading company. Hospice in the Weald (Trading) Ltd charged Hospice in the Weald:

£516k for donor procurement in the year to 31 March 2025 (2024 - £526k).

The charity is registered with a number of regulatory bodies, including the Charity Commission, Care Quality Commission, Fundraising Regulator, Gambling Commission and Information Commissioner's Office.

The charity is a member of Hospice UK, an umbrella body which supports hospices throughout the UK.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Charitable Activities

Our main focus is to deliver our care to the maximum number of people who need it and we are committed to increasing the number of Hospice palliative care referrals we get each year. This year we received 1343 new referrals (2024: 1537). While referral numbers have declined significantly over the past year, the underlying causes remain unclear. This trend has been observed across all referral sources, including GPs, care homes, hospitals, and palliative care services. We recognise the strategic importance of this issue and are actively implementing measures to address it. Several initiatives are currently underway, including increased engagement with healthcare providers, which we anticipate will begin to show positive impact over the longer term. However, in the short term, referral volumes are expected to remain stable at current levels.

This year, we continued our hospice-wide quality review programme, identifying and addressing key areas through focused action and collaboration. The process has strengthened our care delivery and reinforced our commitment to continuous enhancement.

Key Performance Indicators (KPIs) – Dashboard

The Hospice has a number of KPIs. These include clinical referrals, occupancy, patients preferred place of death, as well as financial indicators and staff turnover. These KPI's contain both quantitative and qualitative measures which are reported on a regular basis through each of the Board committees.

Strategic Objectives

The reporting period covered year three of our strategic plan and our business objectives were linked to one or more of the following six Strategic Aims.

- Grow our reach and improve earlier access to Hospice care for people of all ages.
- Plan and provide care in a safe and responsive way that meets the needs of each individual and the communities we serve, working with local system partners to plan care.
- Ensure that our care is safe and effective, having meaningful impact for patients and their loved ones.
- Develop reliable sources of income so that current and future expenditure is sustainable.
- Make best use of resources, maximise capacity and utilisation, and operate cost effectively.
- Build our social and environmental sustainability.

The Hospice Leadership Team and the Trustees have produced a bridging plan covering the period to the end of 2026 allowing us to complete our Quality review and focus on the major refurbishment works at Pembury, the development of the future service offer at Cottage Hospice and the development of the Children's Centre, both at Five Ashes. We have incorporated these three elements into a change programme called 'Shaping our Future'. More details are contained in the Future Plans section of this report.

Our four Key Objectives for the period to the end of 2026 are:

- Extend our reach and provide earlier access to hospice care for people of all ages, making the most of every opportunity to support those in need, working in partnership with local systems, and evolving our services and spaces to be fit for the future.
- Build on our commitment to high-quality, person-centred care, supported by robust systems of governance and assurance.
- Develop reliable sources of income to ensure the continued financial sustainability of the Hospice, while making the best use of our resources and operating in a cost-effective, responsible way.
- Nurture a thriving, inclusive, and resilient organisation where our people – staff and volunteers – feel empowered, supported, and central to everything we do.

Our new three year strategy will be developed during this time and will be published in January 2027.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Charitable Activities

Hospice in the Weald worked diligently to remain as supportive and accessible as ever, with a strong focus on empowering our patients and their families to actively participate in care decisions.

Hospice Outreach

Throughout the year, our Hospice Outreach Service continued to provide vital support at home to an average monthly caseload of 377 people and held Outreach clinics at both Cottage Hospice and Pembury. Thanks to the dedication of our team and a successful recruitment drive, we welcomed new colleagues and strengthened our leadership, ensuring continuity of our service for our patients. We introduced a new North & South team model and expanded our Assistant Practitioner roles, which will allow us to reach more people with personalised support during some of their most vulnerable moments.

Living Well

The Living Well Service has been a source of comfort and empowerment for hundreds of patients and carers. Each month, we supported an average of 228 individuals, offering a wide range of activities and therapies that promote wellbeing and connection. Over the year, both at Cottage Hospice and Pembury, we welcomed:

- 969 attendances at our Seated Exercise groups
- 345 visits to our bereavement drop-in sessions
- 176 Boccia group attendances
- 85 guests at our T Junction bereavement gatherings

We also helped create 56 precious legacy keepsakes and delivered 658 Complementary Therapy sessions. Guided by feedback from those we support, we have adapted our care to be more personal and inclusive. Our Music Therapy programme has flourished, and our team has grown with the addition of Wellbeing Assistants, helping us offer even more compassionate care.

Children and Young People's Service

Our service supports children and young people up to the age of 21 with life limiting conditions and their families. The service has grown in strength and reach, offering 213 sessions of care to 18 children and their families. Whether at home, in hospital, or in the community, our team has been there to provide respite, emotional support, and companionship. We've hosted joyful events like our Easter Egg Hunt, Summer Picnic, and Winter Wonderland, creating cherished memories for our families.

We have expanded our team to include four paediatric nurses, a Clinical Nurse Specialist, and an Associate Director, ensuring we can meet the growing needs of our community. Music Therapy and sibling support have been warmly received, and we continue to work closely with families to provide care that is truly holistic and tailored to their needs.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Charitable Activities (continued)

Counselling and Support Services

Our Counselling and Support Services have offered a safe space for emotional and spiritual care to our service users. During 2024/25 we supported:

- 2,011 face-to-face sessions
- 616 online and 567 telephone counselling sessions
- 133 home visits
- 1,789 in-person chaplaincy contacts

During the year we were able to deliver our service at Cottage Hospice and Pembury and we have now launched new counselling rooms at Hawkwell so we can continue to provide access to compassionate support during our refurbishment programme at Pembury. Our team continues to offer flexible, heartfelt care to patients and their loved ones, helping them navigate grief and uncertainty.

Inpatient Care

In response to ongoing recruitment challenges across the healthcare sector, we temporarily consolidated our workforce at our Pembury site in late spring of 2024. This has given us the opportunity to reflect on our staffing needs, strengthen our recruitment strategies, and invest in staff development. While inpatient care did not resume at the Cottage Hospice during the year, the site remained open for our Outreach clinics, Living Well and Counselling and Support services.

Our Inpatient Ward at Pembury welcomed 338 patients this year, with 243 receiving end-of-life care. We focused on making each day as meaningful and comforting as possible for our patients and their loved ones. From enabling a patient to attend her own festival, to organising movie nights, pamper sessions, and birthday celebrations, we supported what was important to each individual.

We partnered with the British Red Cross to improve patient transport and even facilitate special outings. Therapy animals—including dogs, cats, and even a horse—brought joy and comfort to many. We have embraced the Lantern Model of Care and introduced “What’s Important to Me” boards in every room, ensuring that each patient’s voice is heard and respected.

Our People

At Hospice in the Weald the majority of our revenue is dedicated to the delivery of care, acknowledging that staff and volunteers are our most valuable asset. We have a commitment to the workforce that is established within our values i.e. honesty, kindness and continuous learning. We are an ambitious organisation and have long term plans that will further enhance the experience for our workforce and to help lead this programme of organisational development we recruited a new Director of People and Culture in May 2024.

Since their appointment, we have taken forward a pay review for all staff, recognising and rewarding them for the hard work they provide each year. We have also carried out an extensive review of the hospice’s culture to ensure that the leadership team stays close to the needs of our workforce and be able to respond positively to the changes we need to make. To further strengthen our commitment to staff and volunteer wellbeing, we introduced a refreshed workforce survey, providing an annual opportunity for individuals across the organisation to share their experiences of working at the hospice. This initiative supports continuous improvement and ensures that voices are heard and valued as part of our ongoing development.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Our People (continued)

During the year we have also celebrated with our staff, volunteers and their families at our summer BBQ, providing an opportunity to express our gratitude for their collective efforts, that make our exceptional care possible.

Our Volunteers are an integral part of our organisation and work across all our departments, services, and shops. As a charity we rely on the enormous contribution our volunteers make and so we continue to look at ways in which we can support them in their roles, such as training and development, inclusion in our decision making and recognition for long service.

The senior leadership team have also taken time this year to develop an Executive Charter, outlining the commitment they have made to the workforce and setting out the behaviours and expectations our workforce can expect from them. This initiative is part of our ongoing commitment to improving communication and engagement with our staff and volunteers and is particularly important in the delivery of our major change programme 'Shaping Our Future'.

The year has seen steps to improve some of the formal processes to support our workforce and include the introduction of the following:

- People and Culture Sub-committee – addresses the people agenda/issues for the year and reports to the Quality of Care Committee and ultimately the Board of Trustees
- Workforce Partnership Committee – forum for members of the workforce to hear from our leadership team our plans for the future and for them to raise concerns and put forward new ideas

At the hospice we have a strong belief in providing staff and volunteers with opportunities to contribute to the development of our future plans and aspirations. As such, we have introduced regular briefing sessions and executive team development days, to learn more about the services we provide.

In 2024 we had a number of staffing shortages that needed to be addressed. These were driven by higher salaries in the NHS and a slowing down of recruitment generally within healthcare; end of life care was particularly difficult to recruit into. With the introduction of the improved pay and benefits package and the hard work of our Inpatient Ward and Outreach Team we have addressed our recruitment problems and now have all vacancies filled. This now ensures that in late 2026 we will be providing care not just in Pembury but also at Five Ashes (formerly Cottage Hospice).

Finally, but no less important, we continue to look at ways to improve the support available to our workforce through wellbeing initiatives. We offer Occupational Health assessments for staff along with our Employee Assistance Programme (EAP) providing confidential counselling and advice. In addition, staff have access to our cycle to work scheme and in 2026 we will be launching a new wellbeing programme including fitness assessments, lifestyle and nutritional advice and access to complementary therapies.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Income Generation compliance report

Our goal is to raise funds to support the Hospice and to provide our community with engaging and meaningful ways to remember their loved ones and support our care. We closely monitor our financial performance to ensure that our spend on fundraising is appropriate and provides value for money to our supporters.

We are committed to responsible and ethical fundraising practices. We are registered with the Fundraising Regulator and deliver our fundraising activities in line with the Code of Fundraising Practice, as well as best practice guidance from the Hospice Lotteries Association and Institute of Legacy Management. In addition, our lottery and raffles are promoted in accordance with Gambling Commission guidelines. All our fundraising activities are legal, transparent, honest and designed to engage and inspire our community as well as raise money. We received no complaints through the Fundraising Regulator in 2024/25. We received 7 minor complaints directly; all were dealt with in-house and none were reportable to the regulator.

We take all reasonable efforts to ensure that suppliers and third parties we work with to deliver our fundraising also comply with the Code of Fundraising Practice; these relationships are governed by contracts which set out the obligations of all parties involved.

The staff and volunteers involved in our fundraising sign contracts and agreements and undertake training relevant to their role, including information governance, data protection and Gift Aid.

We communicate with our supporters in person, via email, post, digitally through our website and social media, and over the telephone. We adhere to the relevant regulations for each communication channel and have clear processes to ensure we only communicate with supporters where we have a legitimate interest to do so, or where they have specifically opted in, and we always provide clear ways for supporters to opt out of communications. Our supporters are very important to us. We love meeting with them, hearing their stories and motivations, and putting them at the heart of all our fundraising activities.

Financial Review

The overall result for the year after unrealised gains, and including restricted funds, amounted to a surplus of £691k (2024: £2,607k).

Income generation

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £15,881k (2024: £13,863k) showed an increase of £2,018k over the previous year and was made up of income generated by our Fundraising team and our retail operation alongside grant funding and internally generated income.

Grant funding

In the year we received funding from the Kent & Medway Integrated Care Board of £1,427k (2024: £1,196k) an increase over the previous year. We also received funding of £99k for 24 hour access to specialist advice and care and a further £50 k towards Identification of last Year of Life from a secondary distribution towards specialist care and other additional services.

We also received £107k (2024: £106k) from East Sussex ICB in the year. Both grants are included under core funding.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Financial Review (continued)

At the end of the year we received a share of the Department of Health and Social Care's Hospice Capital funding that was announced in December by the government. The amount received was £204k (2024: Nil) and this was allocated to capital spending that had been made in the year in accordance with the grant requirements.

Fundraising

Our fundraising community donated £7,261k in 2024/25, including £3,465k from Gifts in Wills, which made up 46% of our total income and once costs are recognised, contributed a total of £6,242k to Hospice in the Weald.

The fundraising team started the year with our first digital matched funding campaign, Every Moment Counts, which raised £410k, including matched funding, and brought in many new supporters.

We continued to receive generous support from local businesses, family trusts and foundations, community groups and individuals, many of whom donated in memory of someone they love and miss, even as the cost-of-living crisis impacted so many. The fundraising team are proud to deliver events and campaigns that, alongside raising funds, provide an opportunity for our community to remember and celebrate their loved ones.

We are grateful to all those individuals who donate regularly – every month, quarter or year. Committed giving gives us financial sustainability and enables us to plan ahead.

This year, we put additional resource into data and supporter care, recognising how important it is for our supporters to have an excellent experience in every interaction with us, and how data insights can inform our decision making and development of new activities. Our fundraising team has grown to meet demand and to give us the ability to increase fundraising income in line with organisational demand.

We thank each and every individual and organisation who made a gift to support Hospice in the Weald during the year.

Retail

Our retail operation raised £5,564k in 2024/25, 35% of our total income and once costs are accounted for, contributed a total of £1,921k to Hospice in the Weald. These sales figures were the highest in our history, reflecting the hard work of our shop staff and volunteers and continued support from our community on the high street.

Hospice in the Weald shops have a reputation for bargains and treasures and consequently have many loyal customers.

We regularly review our portfolio of stores to ensure continued profitability and to identify opportunities for growth. In 2024/25 we relocated one store and our new location in Caterham has quickly become a local favourite and is constantly busy with donations and shoppers. We also opened one brand-new store, our largest shop to date, in Tonbridge, which sells the usual mix of clothing and bric-a-brac as well as furniture. Another success story is our Tunbridge Wells Furniture shop that also had a very strong year.

In addition to new shops, several other initiatives contributed to strong sales including our Love Your Label event in Sevenoaks High Street, a large corporate donation of carpets and beginning Sunday trading in several existing shops. We also relaunched online sales via eBay and this entirely volunteer-led operation has been growing throughout the year – a strong foundation for the future.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Financial Review (continued)

Retail (Continued)

There were also challenges during the year. The global recycling market collapsed which significantly impacted our income while costs including staff salaries and utilities were higher as a result of the remuneration review and ever increasing energy costs. At the end of the year, we began the process of developing a retail strategy to take us forward to 2030.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit before tax of £106k (2024: £154k).

Operating Expenditure

We are reporting an increase in our total operating expenditure to £10,643k (2024: £8,694k), a 22% increase year on year. The main causes of this are:

- During the year, we undertook a review of our remuneration to ensure our pay remained fair and aligned with market standards. Coupled with the rise in the National Living Wage this led to a notable increase in salary costs. This figure does not yet reflect the upcoming changes to National Insurance contributions, which will take effect in April 2025.
- As part of our Quality review, we engaged external consultants to support us through the process. While this contributed to higher costs during the year, the majority of these expenses are not expected to recur.
- Energy costs were higher again this year, but we anticipate a reduction going forward as our investment in solar energy begins to deliver savings

Financial Management

Investments

An unrealised gain on investments of £212k (2024: £1,374k) is included in the overall surplus result for the year of £691k. In the year to 31 March 2025, the investment portfolio managed by Sarasin & Partners produced a return of 4.1% (after all fees and costs) as compared to the index-based benchmark return of 4.9% and the ARC steady growth charity index benchmark of 3.0%. The portfolio was impacted by broader geopolitical developments at year end but recovered in line with the market in the early part of the 2025/26 financial year.

During the year Hospice in the Weald also invested surplus cash into various fixed income investments including certificates of deposit, a managed liquidity fund and fixed term deposits. The certificates of deposits and the liquidity fund are managed through Sarasin & Partners. At 31st March 2025 the total value of cash invested in fixed term/income investments including accrued interest was £2,820k (2024: £2,181k).

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. The Board have defined free reserves as cash and market investments less restricted and designated funds. As at 31 March 2025, the value of free reserves stood at £11,753k, which is above the target range of £8.5m-£10.5m set by the Board. The Board acknowledges this elevated level and is confident that reserves will return to within the agreed range following the planned expenditure associated with the *Shaping Our Future* programme over the coming years.

Trustees have designated the following funds:

- £8.5 million for future development needs
- £0.5 million for the Children's Service fund
- £1.6million for the building maintenance fund
- £0.3 million for the development of our ICT infrastructure
- £0.3million for a Hospice sustainability programme
- £0.2million for a technology fund

Funds

- Restricted – these funds represent the balance of specific donations received after expenditures have been made in accordance with the donors' wishes and are therefore not freely available.
- Designated – these are funds which the Board has earmarked for specific capital commitments and new initiatives. The majority of designated funds relate to Hospice buildings necessary to create the infrastructure to enable the Hospice to further its general objectives.
- General – these funds represent the balance of funds which are available to meet existing liabilities and contracted obligations and future operating costs.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Hospice Leadership Team and Trustees have identified the following key strategic risks and have taken appropriate action, as far as it is possible and practical, to protect the organisation from any potential adverse exposures that could arise from:

- 1. Quality of Care** the risks which could impact patient safety, and experience, leading to us not consistently delivering high-quality, personalised care, with the resulting impact on organisational reputation.
- 2. Access and Future Readiness** the risks that could lead to timely access to hospice care being affected leading to unmet needs, delayed care, and reduced adaptability to future service demands. .
- 3. Financial Sustainability** the risk to our financial resilience due to economic uncertainty affecting both voluntary income and statutory body funding.
- 4. Workforce Engagement and Resilience** the risks that could lead to us being unable to maintain an inclusive, engaged, and resilient workforce that could affect staff morale, service continuity, care quality, and organisational reputation.

The high-level risks outlined above have been identified through a combination of structured risk management processes and organisational intelligence, with consideration given to our defined risk appetite. These risks are included in the Board Assurance Framework (BAF) and, alongside others identified across the organisation, are managed within a risk framework that sets out the scoring system for both likelihood and impact, taking into account existing controls and assurances. This framework not only informs our activity but is also shaped by it, ensuring a dynamic and responsive approach to risk. It enables management and Trustees to maintain clear oversight of risk exposure, with scores subject to targeted actions aimed at reducing either the likelihood or the impact. The relevant committees review these risks regularly, with oversight provided by the Audit & Risk Committee.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Future Developments

Although we were not able to open the Children's Centre in Spring 2025 as originally planned, our Children's team continues to provide dedicated support to children, young people, and their families in the comfort of their homes. We remain committed to creating a space that meets their needs, and we have now incorporated the Children's Centre into our larger programme of change detailed below.

We are excited to begin a major change programme we are calling Shaping Our Future which will involve a refurbishment of all patient-facing areas on the ground floor at our Pembury site starting in early 2026, the development of a model of care that will be the future of the Cottage hospice and incorporates the development of our Children's Centre at Five Ashes.

This significant investment will bring meaningful improvements to the Pembury building and enhance the experience for those we care for in our Inpatient ward and our Living Well space including our treatment and counselling rooms. While some disruption is expected during the works, our Living Well and Outreach services, as well as all of our support departments, will continue to operate from Pembury throughout.

We are now preparing to relocate inpatient care to Cottage Hospice in November, at which point it will be renamed Hospice in the Weald – Five Ashes. This arrangement will continue while refurbishment work takes place at Pembury. During this time, we will be engaging with our service users, stakeholders and partners to mold the service that will be delivered in Five Ashes when the Pembury refurbishment has been completed. Additionally, the planned refurbishment may temporarily contribute to lower referral activity during this period referred to previously.

The programme will be funded through a combination of the designated fund for future developments and free reserves.

STATEMENT OF THE RESPONSIBILITIES OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Statement of the Responsibilities of the Trustees

The Trustees, who are also directors of the Charity for the purposes of company law, are responsible for preparing the annual report and the consolidated 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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.

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.

This Annual Report and Consolidated Financial Statements were approved by the Board of Trustees on 5 November 2025. This is signed on their behalf by:



Gary Withers - Chairman

Agreed by the Board

Date: 4th November 2025

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

		Unrestricted Fund	Restricted Fund	Total 2025	Unrestricted Fund	Restricted Fund	Total 2024
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	2	6,863,064	397,591	7,260,655	5,901,162	132,000	6,033,162
Investments	3	871,157	-	871,157	708,573	-	708,573
Charitable Activities							
Internally generated income		67,131	-	67,131	63,247	-	63,247
Core funding	4.1	1,683,269	204,032	1,887,301	1,676,791	-	1,676,791
Other grants	4.2	231,286	-	231,286	195,774	-	195,774
Retail Shop sales		5,444,465	-	5,444,465	5,046,747	-	5,046,747
Other trading activities	5	119,285	-	119,285	138,467	-	138,467
TOTAL INCOME		<u>15,279,657</u>	<u>601,623</u>	<u>15,881,280</u>	<u>13,730,761</u>	<u>132,000</u>	<u>13,862,761</u>
Expenditure on:							
Raising funds	5,7	4,759,470	-	4,759,470	3,935,698	-	3,935,698
Charitable Activities							
Hospice Services	8	10,437,314	205,317	10,642,631	8,667,083	27,000	8,694,083
TOTAL EXPENDITURE		<u>15,196,784</u>	<u>205,317</u>	<u>15,402,101</u>	<u>12,602,781</u>	<u>27,000</u>	<u>12,629,781</u>
Net (losses) / gains on investment assets	12	211,879	-	211,879	1,374,348	-	1,374,348
Net income / expenditure		294,752	396,306	691,058	2,502,328	105,000	2,607,328
Transfers between funds	18	184,032	(184,032)	-	-	-	-
Net income and movement in Funds		<u>478,784</u>	<u>212,274</u>	<u>691,058</u>	<u>2,502,328</u>	<u>105,000</u>	<u>2,607,328</u>
Reconciliation of Funds							
Total funds brought forward		31,604,861	105,000	31,709,861	29,102,533	-	29,102,533
TOTAL FUNDS CARRIED FORWARD	18	<u>32,083,645</u>	<u>317,274</u>	<u>32,400,919</u>	<u>31,604,861</u>	<u>105,000</u>	<u>31,709,861</u>

The notes on pages 23 to 44 form part of these financial statements.

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2025**

	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Fixed assets					
Tangible assets	11	8,895,091	8,860,288	8,895,091	8,860,288
Investments	12	22,176,461	20,774,845	22,176,461	20,774,845
Shares in subsidiaries	13	-	-	100	100
		31,071,552	29,635,133	31,071,652	29,635,233
Current assets					
Stocks	14	3,671	7,792	-	-
Debtors	15	1,103,849	2,539,724	1,103,849	2,539,724
Cash at bank and in hand		1,293,947	1,782,333	1,287,739	1,776,263
		2,401,467	4,329,849	2,391,588	4,315,987
Current liabilities					
Creditors: amounts falling due within one year	16	(1,072,099)	(2,255,122)	(1,175,244)	(2,401,677)
Net current assets		1,329,368	2,074,728	1,216,344	1,914,308
Total assets less current liabilities		32,400,919	31,709,861	32,287,996	31,549,543
Funds					
Unrestricted funds:					
Designated funds: -					
Hospice Fixed Assets	18	8,895,091	8,860,288	8,895,091	8,860,288
Hospice Designated Funds	18	11,400,000	11,600,000	11,400,000	11,600,000
Total designated funds	18	20,295,091	20,460,288	20,295,091	20,460,288
General funds	18	11,788,554	11,144,573	11,675,631	10,984,255
Total unrestricted funds		32,083,645	31,604,861	31,970,722	31,444,543
Restricted funds	18	317,274	105,000	317,274	105,000
Total funds	18	32,400,919	31,709,861	32,287,996	31,549,543

The notes on pages 23 to 44 form part of these financial statements.

As permitted by S408 of the Companies Act 2006 the charity has not presented its own income and expenditure account and related notes. Charity only income of £16,397,961 is included and a surplus result of £738,453 for the year for the charity.

Approved by the Board and authorised for issue on 4 November 2025.



Gary Withers - Chairman
Company Registration No. 01499846



Nick Farthing - CEO

**CONSOLIDATED CASH FLOW STATEMENT FOR
THE YEAR ENDED 31 MARCH 2025**

	Notes	Group	
		2025	2024
		£	£
Cash flows from operating activities			
<i>Net cash provided by operating activities</i>	A	455,106	1,341,862
Cash flows from investing activities			
Dividends, interest and rents from investments		356,878	227,189
Proceeds from the sale of investments		-	-
Purchase of property, plant & equipment		(624,912)	(377,580)
Purchase of investments		(687,563)	(2,682,418)
<i>Net cash used in investing activities</i>		(955,597)	(2,832,809)
Change in cash and cash equivalents in the reporting period		(500,491)	(1,490,947)
Cash and cash equivalents at the beginning of the reporting period		1,846,342	3,337,289
Cash and cash equivalents at the end of the reporting period		1,345,851	1,846,342

Analysis of Changes in Net Debt

Group	Start of Year	Cash Flows	End of Year
Cash	1,782,333	(488,386)	1,293,947
Investment cash	64,009	(12,105)	51,904
	1,846,342	(500,491)	1,345,851

A Reconciliation of net income to net cash flow

	2025	2024
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	691,058	2,607,328
Adjustments for:		
Depreciation charges	590,109	553,307
(Gains) / losses on investments	(211,879)	(1,374,348)
Dividends, interest and rents from investments	(871,157)	(708,573)
Decrease / (Increase) in stocks	4,121	(501)
Decrease / (increase) in debtors	1,435,876	(21,840)
Increase / (Decrease) in creditors	(1,183,022)	286,487
Net cash provided by operating activities	455,106	1,341,862

The notes on pages 23 to 44 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) 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) (effective 1 January 2019 - (Charities SORP 2nd edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Hospice in the Weald 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 notes.

The financial statements are presented in pounds sterling (GBP), being the functional currency of the group.

b) Preparation of the accounts on a going concern basis

Hospice in the Weald had £11,788,554 of unrestricted and non-designated funds to draw on as at 31 March 2025 should income fall dramatically during the next 2 years. Trustees consider it appropriate to prepare the accounts on a going concern basis. There are no material uncertainties about the group's ability to continue as stated in Principal Risks and Uncertainties on page 17 of the Strategic Report.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Hospice in the Weald (Trading) Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by paragraph 408 of the Companies Act 2006.

d) Income

Income is recognised upon entitlement, when the receipt is probable and when the value can be reliably measured. Legacies are recognised when receipt is probable. Legacy income, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executors' intention to make distribution. 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.

e) Statutory funding

Income received under agreements with statutory bodies is included in these accounts on a receivable basis where a contract exists. Where no contract exists, the income is recognised in accordance with the wishes of the relevant statutory body when it becomes probable that the income will be received, and it can be measured with sufficient reliability.

f) Investment income

Investment income represents gross income derived from investments held under unrestricted funds and is accounted for on a receivable basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

h) Expenditure

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 comprise the costs of fundraising and commercial trading
- Expenditure on charitable activities is the provision of care to patients and those important to them

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include ICT, finance, facilities and governance costs and are allocated on a departmental basis.

j) Operating leases

The charity classifies the lease of retail premises as operating leases; the title to the freehold or equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where their individual item cost exceeds £5,000 and then depreciated over their economic useful lives, less residual values, as follows:

- Hospice buildings – over the expected useful life of 35 years (building refurbishments are not depreciated in the year they are undertaken, but start in the following period)
- Shops (Freehold) - over the expected useful life of 50 years
- Equipment – 25% on a straight-line basis
- Software – 25% on a straight-line basis
- Motor vehicles – 25% on a reducing balance basis
- Leasehold Shop refits – Equally over the life of the lease

The Hospice regularly reviews the projected useful life of all fixed assets to determine that the cost is fairly amortised over the expected life of the asset. The Hospice building, which includes a significant element of specialist facilities, has been reviewed with the benefit of professional advice. It is concluded that consistent with similar facilities and with the benefit of regular maintenance the existing building should have a life expectancy of 35 years from April 1999 before needing to be replaced. Similarly the Cottage Hospice has a life expectancy of 35 years from December 2019 before needing to be replaced.

l) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in a subsidiary company is held at cost less accumulated impairment losses.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

m) Financial instruments

Financial instruments are recognised in the Balance Sheet when Hospice in the Weald becomes party to the contractual provisions of the instrument. The group has elected to apply the provisions of section 11 "Basic Financial Instruments" of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends upon the nature and purpose of the instruments and is determined at the time of recognition. Hospice in the Weald's financial instruments are categorised as basic financial instruments.

n) Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

o) Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

p) Stock

Stocks of donated goods are not brought into these financial statements under SORP FRS 102, paragraph 6.29. Stocks accounted for are goods for resale, which are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

q) Debtors

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

r) 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.

s) 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.

t) Pensions

The group contributes to the NHS Superannuation scheme for nursing and medical staff, which is a defined benefit scheme treated as a defined contribution scheme, and to a defined contribution scheme in respect of its other employees. Contributions are charged in the accounts as incurred or as a liability when recognised in accordance with employment legislation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

u) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

v) Estimates and area of judgements / uncertainty

In the application of the Group's accounting policies, which are described above, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Donations and legacies

	2025	2024
	£	£
Gifts in wills	3,464,660	2,495,253
Other donations	3,795,995	3,537,909
	<u>7,260,655</u>	<u>6,033,162</u>

£397,591 of other donations were considered restricted in 2025 (2024: £132,000)

3. Investment income

	2025	2024
	£	£
Bank interest	211,949	92,581
Investment Income - rebate	144,929	134,608
Dividends and Other Investment Income	514,279	481,384
	<u>871,157</u>	<u>708,573</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

4. Grant funding

4.1 Core funding from statutory bodies

	2025	2024
	£	£
<i>Unrestricted</i>		
Kent & Medway ICB	1,576,735	1,570,898
East Sussex Grant	106,533	105,893
<i>Restricted</i>		
DHSC Capex Grant	204,032	-
	1,887,301	1,676,791

4.2 Other grants

	2025	2024
	£	£
Kent & Medway ICB Pharmacy	107,747	93,798
Kent & Medway ICB Continuing Care	88,950	62,944
Workforce Development Fund	-	500
Kent, Surrey and Sussex Deanery	5,412	10,460
Clinical secondment fees	16,448	17,927
Research and student grants	12,729	10,145
	231,286	195,774

All other grants were unrestricted in both periods.

5. Commercial trading operations

	2025	2024
	£	£
Income	635,708	664,287
Cost of sales	(37,306)	(42,640)
Administrative expenses	(491,831)	(467,680)
Total expenditure	(529,137)	(510,320)
Net Profit for the year	106,570	153,967

All taxable profits of the trading subsidiary will be gifted up to the Charity

Commercial trading operations cont.

Included in income is £516,424 (2024: £525,820) of transactions between the two companies that have been removed upon consolidation being the procurement charge in regard to sales made under the gift aid scheme.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6. Total net incoming resources are stated after charging:

	2025	2024
	£	£
Amounts payable to the auditors in respect of: Statutory audit	27,750	27,000
Amounts payable to the auditors in respect of other services		
- corporation tax compliance	4,000	3,275
- accounts preparation	3,875	4,500
Depreciation	590,109	553,307
Operating lease rentals	<u>794,339</u>	<u>676,283</u>

7. Raising Funds Expenditure

	2025	2024
	£	£
Fundraising costs	1,019,878	884,716
Retail Shops	3,643,088	2,968,417
Investment Management Fees	<u>96,504</u>	<u>82,565</u>
	<u>4,759,470</u>	<u>3,935,698</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Hospice Services

Direct costs	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Hospice Outreach Service	2,313,526	35,000	2,348,526	1,960,840	-	1,960,840
Cottage Hospice	1,032,521	-	1,032,521	927,974	-	927,974
Counselling	531,973	-	531,973	485,416	-	485,416
Living Well	665,376	11,550	676,926	612,124	-	612,124
In-Patient Ward	3,063,051	25,000	3,088,051	2,333,213	27,000	2,360,213
Children's Service	377,680	133,767	511,447	235,284	-	235,284
Patient Services	584,747	-	584,747	462,438	-	462,438
Communications	22,020	-	22,020	63,671	-	63,671
Depreciation	539,436	-	539,436	540,225	-	540,225
	<u>9,130,330</u>	<u>205,317</u>	<u>9,335,647</u>	<u>7,621,185</u>	<u>27,000</u>	<u>7,648,185</u>
Support Costs						
Indirect costs of providing Hospice Services	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Office costs	672,641	-	672,641	616,649	-	616,649
Information technology	12,852	-	12,852	48,370	-	48,370
Accommodation	524,325	-	524,325	322,400	-	322,400
Accountancy and audit	37,126	-	37,126	32,980	-	32,980
Legal Costs	5,766	-	5,766	25,500	-	25,500
Quality Governance	54,274	-	54,274	-	-	-
	<u>1,306,984</u>	<u>-</u>	<u>1,306,984</u>	<u>1,045,898</u>	<u>-</u>	<u>1,045,898</u>
Total Hospice Services costs	<u>10,437,314</u>	<u>205,317</u>	<u>10,642,631</u>	<u>8,667,083</u>	<u>27,000</u>	<u>8,694,083</u>

No Member of the Board received any remuneration, fees or reimbursement of expenses from the group during the year under review or the previous year.

No Member of the Board was associated with any contract of purchase or supply to the Hospice in the year under review or the previous year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Staff costs

	2025	2024
	£	£
Wages and salaries	8,200,118	6,759,716
Social security costs	653,076	616,802
Other pension costs	587,451	542,956
	<u>9,440,645</u>	<u>7,919,474</u>

The average number of people employed by the hospice (excluding Trustees and volunteers) during the year was:

	2025	2024
Medical & Nursing	111	104
Counselling and Support Services	24	24
Fundraising (including Lottery)	16	13
Facilities, Catering and Housekeeping	27	22
Shops	50	50
Finance and IT	14	14
Management and Administration	6	5
	<u>248</u>	<u>232</u>

Bank (zero contract hours) and agency staff have not been included in the staff numbers

The number of employees, including management and clinical staff, whose emoluments exceed £60,000 was:

	2025	2024
		(restated)
£60,001 - £70,000	5	7
£70,001 - £80,000	8	2
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

In respect of higher paid employees benefits were paid into a defined contribution scheme for 7 (2024: 7) employees and into a defined benefit scheme for 8 (2024: 5) employees.

Key management personnel remuneration costs for the year amounted to £827,662 (2024: £637,776).

10. Pension costs

The group contributes to the NHS Superannuation scheme for nursing and medical staff and to a defined contribution scheme for other staff. The NHS Superannuation Scheme is an approved multi-employer scheme and, as such, the charity is not able to identify its share of assets or the potential liability it may have to the scheme at the balance sheet date. Contributions payable in the accounting period are charged to the statement of financial activities as they fall due. The pension costs, classified under staff costs, represent contributions payable by the group to the schemes and amount to £587,451 (2024: £542,956).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

11. Tangible fixed assets

Group	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2024	13,024,877	232,134	98,133	919,603	14,274,747
Additions	-	331,239	70,930	222,743	624,912
Disposals	-	-	-	(8,919)	(8,919)
At 31 March 2025	13,024,877	563,373	169,063	1,133,427	14,890,740
Depreciation					
At 1 April 2024	4,843,267	170,956	49,322	350,914	5,414,459
Charge for year	400,553	29,313	13,546	146,697	590,109
Removed on disposal	-	-	-	(8,919)	(8,919)
At 31 March 2025	5,243,820	200,269	62,868	488,692	5,995,649
Net book value					
At 31 March 2025	7,781,057	363,104	106,195	644,735	8,895,091
At 31 March 2024	8,181,610	61,178	48,811	568,689	8,860,288

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

11. Tangible fixed assets cont.

Charity	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2024	13,024,877	232,134	98,133	910,684	14,265,828
Additions	-	331,239	70,930	222,743	624,912
Disposals	-	-	-	-	-
At 31 March 2025	13,024,877	563,373	169,063	1,133,427	14,890,748
Depreciation					
At 1 April 2024	4,843,267	170,956	49,322	341,995	5,405,540
Charge for year	400,553	29,313	13,546	146,697	590,117
Depreciation on disposal	-	-	-	-	-
At 31 March 2025	5,243,820	200,269	62,868	488,692	5,995,657
Net book value					
At 31 March 2025	7,781,057	361,104	106,195	644,735	8,895,091
At 31 March 2024	8,181,610	61,178	48,811	568,689	8,860,288

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Fixed Assets Investments Portfolio

Group and Charity	2025	2024
	£	£
Quoted and listed investments	19,356,332	18,593,429
Short term liquidity investments	<u>2,820,129</u>	<u>2,181,416</u>
Total Investments	<u>22,176,461</u>	<u>20,774,845</u>
Quoted and listed investments comprise:		
UK managed funds	19,356,332	18,593,429
Movements on quoted and listed investments:		
Market Value at beginning of the year	18,593,429	15,693,608
Reclassification	-	-
Additions at cost	-	1,000,000
Disposals at carrying value	-	-
Dividends reinvested	514,279	481,384
Net loss/(gain) on revaluation	211,849	1,374,348
Movement in cash	<u>36,745</u>	<u>44,089</u>
Market value at the end of the year	<u>19,356,332</u>	<u>18,593,429</u>
Cost of Quoted and Listed Investments	15,048,088	14,481,905
Cost of Fixed Term Cash Investments	<u>2,732,123</u>	<u>2,168,511</u>
Total Cost as at 31 March 2025	<u>17,780,211</u>	<u>16,650,416</u>
Investments which comprise more than 5% of the total market value of investments at the 31 March 2025 were:		
Sarasin Alpha CIF for endowments (accumulated units)	19,356,332	18,593,429
BlackRock Institutional Cash Series Sterling Liquidity	<u>2,820,129</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Shares in subsidiary undertakings

	2025	2024
	£	£
Cost of shares in subsidiary undertakings	<u>100</u>	<u>100</u>

	% of Ordinary Shares held	Country of incorporation
Hospice in the Weald (Trading) Limited	100%	England and Wales

Hospice in the Weald (Trading) Limited, company no 1886504, has assets of £126,657 and liabilities of £13,634.

14. Stocks

	Group 2025	2024	Charity 2025	2024
	£	£	£	£
Goods for resale	<u>3,671</u>	<u>7,792</u>	<u>-</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Other debtors	389,139	147,765	389,139	147,765
Trade debtors	6,957	1,531,554	6,957	1,531,554
HITW (Trading) Ltd	-	-	-	-
Accrued income	342,351	489,536	342,351	489,536
Prepayments and deferred costs	365,402	370,869	365,402	370,869
	1,103,849	2,539,724	1,103,849	2,539,724

16. Creditors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Amounts due within one year				
Trade creditors	412,512	483,049	398,878	483,049
HITW (Trading) Ltd	-	-	116,778	154,380
Other taxation and social security creditor	273,116	147,111	273,116	147,111
Pension accrual	43,659	65,469	43,659	65,469
Accruals	305,822	134,787	305,822	126,962
Deferred income	36,990	1,424,705	36,990	1,424,705
	1,072,099	2,255,122	1,175,243	2,401,677

	2025	2024
	£	£
Deferred Income		
Brought forward	1,424,705	1,335,499
Deferred income	36,990	1,424,705
Released	(1,424,705)	(1,335,499)
Carried forward	36,990	1,424,705

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place. In FY 2024, it also included Grant income for 2024/25 invoiced prior to the year end for the year 2024/25.

The advance from Hospice in the Weald (Trading) Limited represents the net of the donor procurement charge to the Charity and the retail costs charge to the Trading company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Financial Instruments

Financial Instruments - Group	2025	2024
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	19,356,332	18,593,429
Financial Instruments - Charity		
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	19,356,332	18,593,429

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Movement in funds

Group	Balance at 01-Apr 2024 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2025 £
Unrestricted funds					
General fund	11,144,573	15,279,657	(13,949,061)	(686,615)	11,788,554
Designated funds					
Hospice Fixed Assets	8,860,288	-	(590,109)	624,912	8,895,091
Future Development Needs	8,500,000	-	-	-	8,500,000
Building Maintenance Fund	1,700,000	-	(203,664)	103,664	1,600,000
Children's Services Fund	500,000	-	(372,761)	372,761	500,000
IT Development Fund	400,000	-	(24,292)	24,292	400,000
Sustainability programme	300,000	-	(50,111)	(49,889)	200,000
Technology Fund	200,000	-	(6,786)	6,786	200,000
Total designated funds	20,460,288	-	(1,247,723)	1,082,526	20,295,091
Restricted funds					
Support our nurses	25,000	194,537	(117,772)	-	101,765
Reception refurbishment	80,000	-	-	20,000	100,000
Living Well	-	11,550	(11,550)	-	-
Children's Service	-	68,995	(40,995)	-	28,000
Ward Refurbishment	-	87,509	-	-	87,509
Hospice Outreach	-	35,000	(35,000)	-	-
DHSC Capital Expenditure Fund	-	204,032	-	(204,032)	-
Total restricted funds	105,000	601,623	(205,317)	(184,032)	317,274
Total funds	31,709,861	15,881,280	(15,042,101)	211,879	32,400,919

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Movement in funds cont.

Charity	Balance at 01-Apr 2024 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2025 £
Unrestricted funds					
General fund	10,984,255	15,796,338	(14,418,347)	(686,615)	11,675,631
Designated funds					
Hospice Fixed Assets	8,860,288	-	(590,109)	624,912	8,895,091
Future Development Needs	8,500,000	-	-	-	8,500,000
Building Maintenance Fund	1,700,000	-	(203,664)	103,664	1,600,000
Children's Services Fund	500,000	-	(372,761)	372,761	500,000
IT Development Fund	400,000	-	(24,292)	24,292	400,000
Sustainability programme	300,000	-	(50,111)	(49,889)	200,000
Technology Fund	200,000	-	(6,786)	6,786	200,000
Total designated funds	20,460,288	-	(1,247,723)	1,082,526	20,295,091
Restricted funds					
Support our nurses	25,000	194,537	(117,772)	-	101,765
Reception refurbishment	80,000	-	-	20,000	100,000
Living Well	-	11,550	(11,550)	-	-
Children's Service	-	68,995	(40,995)	-	28,000
Ward Refurbishment	-	87,509	-	-	87,509
Hospice Outreach	-	35,000	(35,000)	-	-
DHSC Capital Expenditure Fund	-	204,032	-	(204,032)	-
Total restricted funds	105,000	601,623	(205,317)	(184,032)	317,274
Total funds	31,549,543	16,397,961	(15,871,387)	211,879	32,287,996

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Movement in funds cont'd**Restricted funds**

These funds represent funds given by the donors for specific purposes as follows:

Support our nurses – funds received to cover nursing salaries for a specific period of time

Reception refurbishment – funds received to specifically enhance our reception area to improve the experience for visitors and our team. This work is currently planned for 2025/26.

Living Well – funds received towards general costs of our Living Well department. These have been fully spent on staff training & development and on purchase of equipment for the department.

Children's Services – funds received towards a mix of general expenditure in Children's Service and towards the Children's Centre. The funds given towards the Children Centre will be utilised in 2025/26.

Ward Refurbishment – funds received towards improvements of our In-Patient Ward. This work is currently planned for 2025/26.

Hospice Outreach – funds received towards general costs of our Hospice Outreach department. These funds have been fully spent in the year on our staff

DHSC Capital Expenditure Fund – funds received on reclaim basis by the Department of Social Care towards capital expenditure in the year.

Designated Funds

The Trustees have designated funds to provide for future development and maintenance of the Hospice buildings; Children's Services development for the coming year; ICT Development Fund to continue to improve IT infrastructure and business systems; Sustainability programme to achieve sustainability goals; Technology fund to invest in future advances in care.

Transfers between funds

Transfers represent updates to restricted funds balance following reanalysis of income from previous years and the utilisation of funds to purchase fixed assets which have been capitalised and therefore the restriction has been fulfilled.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

**18. Movement in funds cont'd
Comparative figures - Group**

	Balance at 01-Apr 2023 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2024 £
Unrestricted funds					
General fund	9,544,517	13,353,182	(11,618,160)	(134,965)	11,144,573
Designated funds					
Hospice Fixed Assets	9,036,016	377,580	(553,308)	-	8,860,288
Future Development Needs	8,200,000	-	(35,765)	335,765	8,500,000
Building Maintenance Fund	1,430,000	-	(114,136)	384,136	1,700,000
Children's Services Fund	392,000	-	(211,149)	319,149	500,000
IT Development Fund	500,000	-	(70,263)	(29,737)	400,000
Sustainability programme	-	-	-	300,000	300,000
Technology Fund	-	-	-	200,000	200,000
Total designated funds	19,558,016	377,580	(984,621)	1,509,313	20,460,288
Restricted funds					
Support our nurses	-	52,000	(27,000)	-	25,000
Reception refurbishment	-	80,000	-	-	80,000
	29,102,533	13,862,761	(12,629,781)	1,374,348	31,709,861

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

**18. Movement in funds cont'd
Comparative figures - Charity**

	Balance at 01-Apr 2023 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2024 £
Unrestricted funds					
General fund	9,393,139	13,366,094	(11,640,012)	(134,965)	10,984,255
Designated funds					
Hospice Fixed Assets	9,036,016	377,580	(553,308)	-	8,860,288
Future Development Needs	8,200,000	-	(35,765)	335,765	8,500,000
Building Maintenance Fund	1,430,000	-	(114,136)	384,136	1,700,000
Children's Services Fund	392,000	-	(211,149)	319,149	500,000
IT Development Fund	500,000	-	(70,263)	(29,737)	400,000
Sustainability programme	-	-	-	300,000	300,000
Technology Fund	-	-	-	200,000	200,000
Total designated funds	19,558,016	377,580	(984,621)	1,509,313	20,460,288
Restricted funds					
Support our nurses	-	52,000	(27,000)	-	25,000
Reception refurbishment	-	80,000	-	-	80,000
	28,951,155	13,875,673	(12,651,633)	1,374,348	31,549,543

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19. Analysis of group net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Group 2025				
Fixed assets	-	8,895,091	-	8,895,091
Investments	10,776,461	11,400,000	-	22,176,461
Current assets	2,084,192	-	317,274	2,401,467
Current liabilities	(1,072,099)	-	-	(1,072,099)
	11,788,554	20,295,091	317,274	32,400,919
Charity 2025				
Tangible fixed assets	-	8,895,091	-	8,895,091
Investments	10,776,461	11,400,000	-	22,176,461
Shares in subsidiary company	100	-	-	100
Current assets	2,074,314	-	317,274	2,291,588
Current liabilities	(1,175,244)	-	-	(1,175,244)
	11,675,631	20,295,091	317,274	32,287,996
Group 2024	£	£	£	£
Fixed assets	-	8,860,288	-	8,860,288
Investments	9,174,845	11,600,000	-	20,774,845
Current assets	4,224,849	-	105,000	4,329,849
Current liabilities	(2,255,122)	-	-	(2,255,122)
	11,144,573	20,460,288	105,000	31,709,861
Charity 2024				
Tangible fixed assets	-	8,860,288	-	8,860,288
Investments	9,174,845	11,600,000	-	20,774,845
Shares in subsidiary company	100	-	-	100
Current assets	4,210,987	-	105,000	4,315,987
Current liabilities	(2,401,677)	-	-	(2,401,677)
	10,984,255	20,460,288	105,000	31,549,543

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20. Operating leases – All Property

	2025	2024
	£	£
At 31 March 2025 the group and charity were committed to:		
Leases which expire - within one year	753,542	433,791
- within 2 to 5 years	2,093,391	1,182,577
- after 5 years	1,129,652	400,677
	<u>3,976,585</u>	<u>2,017,045</u>

21. Members' liability

Hospice in the Weald is a company limited by guarantee, with no share capital. Every member undertakes to meet the liabilities of the company in the event of its being wound up. The potential liability of each member does not exceed £1. Total guarantees at 31 March 2025 were £25 (2024:£25).

22. Related party transactions

A net total of £34,425 (2024: £67,637) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited have been removed upon consolidation. £516,424 (2024: £525,820) is the procurement charge in regard to sales made under the gift aid scheme referred to in note 5 and an administration charge of £482,000 (2024: £458,183) from the Charity to the Trading Company. Included within creditors in the Charity balance Sheet is an amount of £116,779 (2024: £154,380) owed to Hospice in the Weald (Trading) Limited, a wholly owned subsidiary of Hospice in the Weald. This balance was eliminated on consolidation.

Related party transactions are carried out on an arm's length basis

23. Capital Commitments

At 31 March 2025 the group had no capital commitments (2024: £nil).

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Opinion

We have audited the financial statements Hospice in the Weald (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the group statement of financial activities, the group and charity balance sheets, the group cash flow statement and the notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

Other information

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

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.

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 which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic 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' Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities on page 19, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 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 as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services and those issued by the Gambling Commission covering the requirements for running a lottery.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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.

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.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Saffery LLP
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

12 November 2025

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

HOSPICE IN THE WEALD

England & Wales - Charity number 280276

Accounts



HOSPICE IN THE WEALD

ANNUAL REPORT
(and consolidated financial statements)

YEAR ENDED 31 MARCH 2024

Charity No. 280276
Company Registration No 01499846 (England and Wales)

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It is my pleasure to present this year's annual report, reflecting on the past year, as well as outlining our vision for the future. This year has been one of both remarkable achievements and significant challenges, demonstrating once again the resilience and dedication of everyone involved with Hospice in the Weald.

Our fundraising efforts this year have been a testament to the incredible support we continue to receive from our community. We are deeply grateful and proud of our supporters who tirelessly raised money and took on new challenges to support the Hospice. A particular highlight was our annual Moonlight Walk, which raised over £135,000. This success was made possible by the hundreds of participants and generous match funding. Special recognition goes to Charlotte, who chose to spend her birthday walking in memory of her mum, who had been cared for by our

Hospice earlier in the year. Stories like Charlotte's remind us of the profound impact our services have on individuals and their families.

Our newest service, dedicated to caring for Children and Young People, has shown tremendous growth since its launch in January 2023. We are proud to report that we have extended our care and support to over 60 incredible children, parents, and siblings. The team has expanded to include new nurses, support workers and an associate director, reflecting our commitment to meeting the growing needs of children and their families facing terminal and life-limiting conditions. As we look to the future, we plan to continue this growth, ensuring that we can reach even more families in need.

This year, we also had the pleasure of celebrating a significant accolade within our team. Jan Thirkettle, our Director of Clinical Excellence, was awarded the prestigious title of Queen's Nurse. This recognition highlights Jan's commitment to continuous improvement and excellence in care, and we are proud to have her on our team.

Like many healthcare organisations, including the NHS, we have faced significant challenges this year, particularly in recruiting experienced, long-term nursing staff from surrounding areas and managing the rising costs. The increasing demand for nursing staff across the sector, coupled with escalating costs, means that we will need to raise even more funds in the coming years to sustain our services. Without our dedicated patient-facing staff, we cannot provide the exceptional care that our community deserves. This is why we remain committed to investing in our people, despite the challenges we face.

In addition to investing in our people, we are also making significant investments in our infrastructure and systems. These investments are essential for us to offer a more efficient and modern service in the future, ensuring that we continue to deliver outstanding care to those who need it most.

As we move forward, I am filled with gratitude for the unwavering support of our community, staff, and volunteers. It is through your dedication and generosity that we can continue to provide vital Hospice care to those who need it in our local area. Together, we will continue to provide care and support to those who need it most, because no one should face a terminal illness alone.

My sincere thanks to all who support the Hospice and make our work possible.

Gary Withers, Chairman

A handwritten signature in black ink that reads "G. Withers". The signature is written in a cursive style with a horizontal line underneath.

Charity Information

Charity Registration Number 01499846

Trustees

Mr G Withers
 Dr N Benson Resigned 5th December 2023
 Ms S Cockaday
 Ms J Ford
 Dr S Grieve
 Ms S Pinkney Resigned 5th December 2023
 Mr E Wesson
 Ms L King
 Ms C Ratnayake
 Dr A Long Appointed 18th July 2023
 Mr P Stevenson Appointed 18th July 2023
 Dr T Palmer Appointed 7th November 2023

Hospice Leadership Team

Mr N Farthing Chief Executive
 Mr P Madden Director of Care Operations
 Ms J Thirkettle (QN) Director of Clinical Excellence
 Ms K Greywood Income Generation Director
 Ms S Winn Finance Director appointed 1 April 2023
 Mr A Stott Operations Director
 Ms A Mitchell Interim Fundraising Director appointed 4th March 2024

Patrons

Mr Greg Clark former MP
 Mr Chris Cowdrey
 Mr Rob Eades
 Mr Tim Edmunds
 Ms Nusrat Ghani MP
 Ms Helen Grant MP
 Mr Tom Tugendhat MP

President

Mr Simon Lee

Vice Presidents

Mr Peter Bennelick
 Mrs Sonia Burt
 Mr Martin Dace
 Mr Brian Dudley
 Sir Jeremy Elwes
 Mr Peter Lewis

**Vice Presidents
(Non-members)**

Mr David Payne
 Mr Richard Snow

Registered Address

Maidstone Road
 Pembury
 Kent
 TN2 4TA

Independent Auditors Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers Lloyds Bank Plc
82 Mount Pleasant Road
Tunbridge Wells
Kent
TN1 1RP

Investment Fund Management Sarasin & Partners
Juxon House
100 St. Paul's Churchyard
London
EC4M 8BU

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (“the Charities SORP”) and Financial Reporting Standard (FRS) 102 in preparing the annual report and financial statements of the Charity. The Charity is a charitable company limited by guarantee and was established on 27 June 1980. The Charity is governed by its Memorandum and Articles of Association whose objects are entirely charitable.

Charitable Objects

The objects for which the Charity is established are:

To promote the relief of sickness in such charitable ways as the Charity shall from time to time think fit, and in particular (but without prejudice to the generality of such object):

- to promote the care without limitation of sex, race or age, of persons suffering from terminal illness or intractable pain whether in hospitals, nursing homes, clinics or their own homes and to provide medical nursing and other treatment and attention according to their needs, together with guidance and assistance for those caring for them;
- to conduct, promote and encourage research into the care and treatment of sufferers from terminal illness or intractable pain and to make publicly available the results of such research and to promote, encourage and assist in the teaching and training of doctors, nurses, physiotherapists, psychologists and other persons engaged in the care of such sufferers.

Hospice in the Weald serves a population of over 400,000 people covering an area of over 400 square miles of West Kent and East Sussex. It delivers a multi-professional service to improve the quality of life for patients with a terminal illness and those important to the patient.

Organisational Structure, Governance and Management

The Charity is established for the purposes expressed in the Articles of Association. The Trustees are expected to serve an initial term of three years and can then be re-elected to serve a further term to not normally exceed six years in total. The Board considers any Trustee vacancies to ensure that there remains on the Board a balance of skills, diversity and experience. Prospective Trustees are interviewed by the Chairman and at least two other Trustees and meet with the Chief Executive. New Trustees receive induction arranged by the Chief Executive and, in advance, receive key documents to allow them to understand the organisation.

Trustees do not receive any remuneration but are entitled to be reimbursed for any expenses incurred in attending Board meetings. No expenses were claimed during the year (2023 - £nil).

The appointment, resignation or retirement of Trustees is announced at the Charity's Annual General Meeting (AGM).

Trustees have ultimate responsibility for the Charity. They meet at least four times a year to review the strategy and performance of the Charity and to set objectives, operating plans and budgets and approve the annual accounts.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

Committees

Separate committees have been established to provide specific support and guidance to the Chief Executive and the Hospice Leadership Team (HLT). Each committee is chaired by a Trustee and determines the frequency and content of its meetings depending on the needs of the organisation. The terms of reference for each committee are reviewed by the Board once a year and the Chairman is ex-officio on all committees. The Chair of each committee gives a report to the full body of Trustees at Board meetings.

Committee Membership: -

Finance and Commercial Committee: Mr P Stevenson (Chair), Ms J Ford, Ms S Cockaday, Dr S Grieve, Ms L King, Mr N Farthing, Mr G Withers (ex-officio), Ms K Greywood, Ms S Winn (appointed 1st April 2023), Ms A Mitchell (appointed 4th March 2024), Mr A Stott, Ms S Gills

Adult Clinical Governance Committee: Ms C Ratnayake (Chair), Ms J Ford, Dr S Grieve, Ms S Cockaday, Dr T Palmer (appointed 7th November 2023), Ms J Thirkettle, Mr P Madden, Mr N Farthing, Mr G Withers (ex-officio). Mr E Wesson

Children's Clinical Governance Committee: Ms J Ford (Chair), Mr E Wesson, Ms C Ratnayake, Dr A Long, Ms J Thirkettle, Mr P Madden, Mr N Farthing, Mr G Withers (ex-officio).

Risk Committee: Ms L King (Chair), Ms S Cockaday, Mr P Stevenson, Ms J Ford, Mr N Farthing, Mr A Stott, Ms S Winn, Mr G Withers (ex-officio).

The Trustees delegate authority for the day-to-day management of the Charity and its subsidiary company to its appointed Chief Executive, supported by the Hospice Leadership Team with specialist and individual responsibility for all functional activities. The subsidiary (trading) company has a Board of Directors and operates at arm's length from the charity.

Trustee Training

On joining the Board, all new Trustees undergo an induction process and are made aware of the Charity Commission's Charity Trustee Welcome Pack and online training provision. The Trustees may organise their own training and development as individuals and are responsible for completing any mandatory training required by the Charity. They will be provided with relevant training collectively, as a Board, by the Hospice. The Hospice Leadership team and the Trustees meet once a year for a Development Day, to focus on determining strategy and joint learning.

Public Benefit

The presumption of public benefit was removed by the Charities Act 2011. Charities are therefore required to demonstrate public benefit. The objects of Hospice in the Weald are set out on page 7. Accordingly the charitable purposes of Hospice in the Weald fall within the criteria of Section 2 of the Charities Act 2011 and thereby the organisation, which has been established exclusively for charitable purposes, is for public benefit. In planning the activities for the year, the Trustees have given careful regard to the Charity Commission's guidance on public benefit and considered its implications for the Charity.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

Related Party Disclosures

We need to make disclosures in respect of 'related party disclosures' as FRS 102 requires disclosure of group transactions such as those in note 23 It is also prudent in this annual report to make clear that some of the income derived through our charity shops is undertaken by a trading company. We have three of the Charity Trustees, including the Chairman, who act as the Directors of the trading company. The CEO and Head of Retail work alongside them and also act as Directors of the trading company. Hospice in the Weald (Trading) Ltd charged Hospice in the Weald:

£525k for donor procurement in the year to 31 March 2024 (2023 - £438k).

The charity is registered with a number of regulatory bodies, including the Charity Commission, Care Quality Commission, Fundraising Regulator, Gambling Commission and Information Commissioner's Office.

The charity is a member of Hospice UK, an umbrella body which supports hospices throughout the UK.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

Charitable Activities

Our main focus is to deliver our care to the maximum number of people who need it and we are committed to increasing the number of Hospice palliative care referrals we get each year. This year we received 1537 new referrals (2023: 1496).

Key Performance Indicators (KPIs) – Dashboard

The Hospice has a number of KPIs. These include clinical referrals, occupancy, patients preferred place of death, as well as financial indicators and staff turnover. These KPI's contain both quantitative and qualitative measures which are reported on a regular basis through each of the Board committees.

Strategic Objectives

The reporting period covered year two of our strategic plan and our business objectives were linked to one or more of the following six Strategic Aims.

- Grow our reach and improve earlier access to Hospice care for people of all ages.
- Plan and provide care in a safe and responsive way that meets the needs of each individual and the communities we serve, working with local system partners to plan care.
- Ensure that our care is safe and effective, having meaningful impact for patients and their loved ones.
- Develop reliable sources of income so that current and future expenditure is sustainable.
- Make best use of resources, maximise capacity and utilisation, and operate cost effectively.
- Build our social and environmental sustainability.

Charitable Activities

Hospice in the Weald worked diligently to remain as supportive and accessible as ever, with a strong focus on empowering our patients and their families to actively participate in care decisions. Over the year, the organisation received 1,537 referrals (2023: 1,496) to the Outreach service and the Ward in the year.

Our Children's service celebrated its first anniversary in January 2024, following a joyful Christmas party for families at our main site. By 31st March 2024, the service was supporting 21 children and young people (2023: 8), far surpassing the initial expectations at launch.

Our Living Well team expanded their service delivery this year, adding sessions at Cottage Hospice. We continued to offer a full program for patients and their loved ones, including music and art therapy, group social activities, and a variety of complementary therapies. The Counselling and Support team developed our Time to Be service, which gently explores coping mechanisms and relaxation techniques, complementing the traditional counselling sessions we provide for patients and their loved ones. Across both services, we delivered 3,967 sessions (2023: 3,337)

As planned, climate control was installed in all inpatient rooms, giving patients and their families control over their room environment. Further refurbishments at our main site are planned for the upcoming year. The first phase of IT infrastructure upgrades was completed, enhancing access across both sites, with additional improvements scheduled for the coming year.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

Our Retail operation had another successful year, launching two popular pop-up shops and hosting the highly successful "Love Your Label" event.

In September, our Fundraising team launched our Gifts in Wills campaign to emphasize the huge impact of legacy giving to the Hospice. Our two flagship events, Moonlight Walk & Hospice Run, were well attended, with the many participants raising significant funds for the Hospice.

Our People

At Hospice in the Weald the majority of our revenue is dedicated to delivering care, with our people being our most valuable asset and the primary focus of our spending. A significant portion is allocated to our highly skilled clinical and care staff, ensuring that we maintain the highest standards of service.

This year, we were once again able to host our workforce celebration event for staff and their families. It provided an opportunity to express our gratitude for their hard work and to honour the collective efforts that make our exceptional care possible for patients and their loved ones.

Volunteers are an integral part of our organisation. We recruit, train, and manage them, taking full responsibility for their contributions. As of 31st March 2024 we had 1,125 volunteers (1,009 in 2023) working across all the services, departments, and shops associated with the Hospice.

Income Generation compliance report

Hospice in the Weald employs a core fundraising staff to develop, promote and run a range of fundraising campaigns, assisted by vital volunteers and taken up by our supporters. We steward our donors and promote our fundraising campaigns to them, and the wider community that we serve, through direct mail, e-mail contact, telephone and digitally.

We constantly monitor the cost and time which goes into each fundraising activity against the financial return to ensure we are making the most of every donation received.

We are registered with the Fundraising Regulator and work in accordance with the Code of Fundraising Practice, and the best practice laid out by the Hospice Lotteries Association, Chartered Institute of Fundraising and Charity Retail Association. Our lottery and raffles are promoted in accordance with the Gambling Commission guidelines and we have checks in place to monitor third parties who carry out work for us, or who we enter into contracts with.

We received no complaints through the Fundraising Regulator during the year. We review the frequency and appropriateness of our communications and provide an option for supporters to 'opt-out' of our communications. We contact based on legitimate interest, and privacy information & communication preferences are clearly communicated on our website.

We continue to listen to our supporters and to learn from them to shape our fundraising activity. Our supporters are very important to us and we put them at the heart of everything we do.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

Financial Review

The overall result for the year after unrealised gains, and including restricted funds, amounted to a surplus of £2,607k (2023 £1,022k).

Income generation

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £13,900k showed an increase of £425k over the previous year and was made up of income generated by our Fundraising team and our retail operation alongside some grant funding.

Grant funding

In the year we received funding from the Kent & Medway Integrated Care Board of £1,196k equal to the previous year's figure of £1,196k. We also received funding of £129k for additional services for Care Homes and Compassionate Communities and a further £244k towards the end of the year from a secondary distribution towards specialist care and other additional services.

We also received £106k (2023 £102k) from East Sussex ICB in the year. Both grants are included under core funding.

Fundraising

Voluntary income by way of donations and Gifts in Wills totalled £6,061k compared to £6,344k in the previous year due to a lower level of Gifts in Wills recognised in the year than the previous one.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit before tax of £154k a slight increase on the previous year (2023: £151k).

Retail

The contribution from our retail shops during the year amounted to £2,477k. This figure includes the £154k trading profit in Hospice in the Weald (Trading) Limited plus the donations raised in relation to goods sold on behalf of donors and associated Gift Aid claims.

Gift Aid is claimed by the Charity in respect of donations received from donors who agree to donate funds raised from the sale of their goods. The charity appoints Hospice in the Weald (Trading) Limited to act as agent for the sale of donated goods in the retail shops in accordance with HMRC's approved methodology. Hospice in the Weald (Trading) Limited charges donors a commission for selling their goods as their agent and makes a charge to the Charity for the service it provides in procuring donations for the Charity.

Operating Expenditure

We are reporting an increase in our total operating expenditure from £7,857k to £8,694k a 11% increase year on year. The reasons for this are several. Pressures on salary costs due to the cost-of-living crisis and the higher inflation rates resulted in increases to our workforce expenditure. During the period we have also had to increase expenditure on recruitment reflecting the challenges in the wider health sector and we expect this to continue into the coming year. The energy cost increases were felt during the year and the high inflation rate in general impacted our wider cost base as suppliers had to increase their prices.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

Financial Management

Investments

An unrealised gain on investments of £1,374k included in the overall surplus result for the year of £2,607k. In the year to 31 March 2024, the investment portfolio managed by Sarasin & Partners produced a return of 11.5% (after all fees and costs) as compared to the index based benchmark return of 15.5% and the peer group benchmark of 9.7%.

During the year Hospice in the Weald also invested surplus cash into various fixed income investments including certificates of deposit, a managed liquidity fund and fixed term deposits. The certificates of deposits and the liquidity fund are managed through Sarasin & Partners. At 31st March 2024 the total value of cash invested in fixed term/income investments including accrued interest was £2,181k (2023: £499k)

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. Board have defined free reserves as unrestricted cash and market investments less restricted and designated funds. The value of free reserves on this basis was £10,852k at 31 March 2024, and this is marginally above the range of free reserves set by the board. The Board are satisfied that this level of free reserves is prudent and desirable.

Trustees have designated the following funds:

- £8.5 million for future development needs
- £0.5 million for the Children's Service fund
- £1.7million for the building maintenance fund
- £0.4 million for the development of our ICT infrastructure
- £0.3million for a Hospice sustainability programme
- £0.2million for a technology fund

The Charity has £105k of restricted funds at 31 March 2024 and after these and the designations above the Charity's General Funds amount to £11,100k.

Funds

- a) Restricted – these funds represent the balance of specific donations received after expenditures have been made in accordance with the donors' wishes and are therefore not freely available.
- b) Designated – these are funds which the Board has earmarked for specific capital commitments and new initiatives. The majority of designated funds relate to Hospice buildings necessary to create the infrastructure to enable the Hospice to further its general objectives.
- c) General – these funds represent the balance of funds which are available to meet existing liabilities and contracted obligations and future operating costs.

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Hospice Leadership Team and Trustees have identified the following key areas of risk and have taken appropriate action, as far as it is possible and practical, to protect the organisation from any potential adverse exposures that could arise from:

1. Changes in external environment which result in there being a reduction in non-statutory funding and where we are not able to maintain historic levels of voluntary/community fundraising.
2. Changes in the external environment result in there being a lack of statutory (State/NHS) funding and where Clinical Commissioning Groups (CCGs) do not commission/fund at historic levels of NHS funding. We are not able to maintain historic levels of voluntary/community fundraising
3. Direct competition from other organisations who want to provide services we have traditionally provided, undermining our position in the community.
4. Damage to our reputation from a clinical error which adversely affects our services and our standing.
5. Damage to our reputation from a non-clinical incident or error which adversely affects the organisation and its standing.

The high-level risks mentioned above have been identified through various systems and processes and are included in the Board Assurance Framework (BAF). These, along with any other risks identified within the organisation, are managed according to a risk strategy that defines the scoring system for both the likelihood of a risk occurring and its potential consequences, taking into account existing controls and assurances. This approach provides management and Trustees with a clear view of the risks and their scores, which are then subject to management actions aimed at further reducing either the likelihood or the impact of those risks. The relevant committees regularly review these risks with oversight provided by the risk committee. We are currently strengthening our risk management framework as part of our governance review referred to in the following section of this report.

Future Developments

In response to challenges in recruitment across the healthcare sector we have temporarily consolidated our workforce at our Pembury site. This has provided an opportunity to reassess our recruitment strategies and invest in staff development. We are now focusing on attracting top talent to provide even better service and care, ensuring a sustainable future for the Cottage Hospice which is open for our Living Well and our Counselling and Support services during this time.

Although the opening of our new Children's Centre has faced some delays, our Children's team continue to support our children and young people and their families in their home and we are planning on opening our Children's centre in Spring 2025. We have recognised the importance of the Children's service with the appointment of an Associate Director for the service in the first half of the new year who, along with the rest of the team, is using this time to ensure that once open, the centre offers the right range of services designed to make a lasting difference in our children and young people's lives.

In the coming year, we have started a comprehensive review of our governance arrangements, including our risk management approach, which has included a change in our committee structure to strengthen the flow of information from 'Ward to Board'. This has led to the merging of the Adult Clinical Governance and the Children's Clinical Governance committees into one Quality of Care committee and the establishment of a time limited Trustee Oversight Group to oversee the process. The review is ongoing and will help position the Hospice to provide even better care for our patients.

There are exciting developments in retail where we are planning the opening of a new, large shop in Tonbridge, which will significantly contribute to our retail capacity. Alongside this we are introducing new fundraising events that will bring our supporters together in innovative ways.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

In other developments, we are planning refurbishments of several of our inpatient rooms and our reception and Living Well areas to help ensure that our patients and their loved ones have the best environment possible. We are set to implement a new finance system that will streamline our operations and enhance our financial transparency. We will also be making new IT support arrangements that will greatly improve the way we work, providing faster, more reliable systems that will empower our team. These improvements ensure we can continue to deliver our services efficiently and effectively

STATEMENT OF THE RESPONSIBILITIES OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Statement of the Responsibilities of the Trustees

The Trustees, who are also directors of the Charity for the purposes of company law, are responsible for preparing the annual report and the consolidated 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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.

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.

This Annual Report and Consolidated Financial Statements were approved by the Board of Trustees on 5 November 2024. This is signed on their behalf by:



Gary Withers -

Chairman Agreed by the Board

Date: 5th November 2024

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted Fund	Restricted Fund	Total 2024	Unrestricted Fund	Restricted Fund	As restated Total 2023
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	2	5,929,067	132,000	6,061,067	6,344,649		6,344,649
Investments	3	708,573	-	708,573	562,821		562,821
Charitable Activities							
Restaurant & Coffee Shop		35,344	-	35,344	16,048		16,048
Core funding	4.1	1,676,791	-	1,676,791	1,524,948		1,524,948
Other grants	4.2	195,774	-	195,774	283,594		283,594
Retail Shop sales		5,046,747	-	5,046,747	4,568,940		4,568,940
Other trading activities	5	138,467	-	138,467	136,744		136,744
TOTAL INCOME		13,730,761	132,000	13,862,761	13,437,744	-	13,437,744
Expenditure on:							
Raising funds	5,7	3,935,698	-	3,935,698	3,596,475		3,596,475
Charitable Activities							
Hospice Services	8	8,667,083	27,000	8,694,083	7,857,094		7,857,094
TOTAL EXPENDITURE		12,602,781	27,000	12,629,781	11,453,570	-	11,453,570
Net (losses) / gains on investment assets	12	1,374,348	-	1,374,348	(962,008)	-	(962,008)
Net income and movement in Funds		2,502,328	105,000	2,607,328	1,022,166	-	1,022,166
Reconciliation of Funds							
Total funds brought forward		29,102,533	-	29,102,533	28,080,367	-	28,080,367
TOTAL FUNDS CARRIED FORWARD	18	31,604,861	105,000	31,709,861	29,102,533	-	29,102,533

The notes on pages 20 to 44 form part of these financial statement

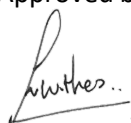
**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2024**

	Notes	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
Fixed assets					
Tangible assets	11	8,860,288	9,036,016	8,860,288	9,036,016
Investments	12	20,774,845	16,192,608	20,774,845	16,192,608
Shares in subsidiaries	13	-	-	100	100
		29,635,133	25,228,624	29,635,233	25,228,724
Current assets					
Stocks	14	7,792	7,291	-	-
Debtors	15	2,539,724	2,517,884	2,539,724	2,517,884
Cash at bank and in hand		1,782,333	3,317,369	1,776,263	3,207,377
		4,329,849	5,842,543	4,315,987	5,725,261
Current liabilities					
Creditors: amounts falling due					
within one year	16	(2,255,122)	(1,968,633)	(2,401,677)	(2,002,830)
Net current assets		2,074,728	3,873,910	1,914,308	3,722,431
Total assets less current liabilities		31,709,861	29,102,533	31,549,543	28,951,155
Funds					
Unrestricted funds:					
Designated funds: -					
Hospice Fixed Assets	18	8,860,288	9,036,016	8,860,288	9,036,016
Hospice Designated Funds	18	11,600,000	10,522,000	11,600,000	10,522,000
Total designated funds	18	20,460,288	19,558,016	20,460,288	19,558,016
General funds	18	11,144,573	9,544,517	10,984,255	9,393,139
Total unrestricted funds		31,604,861	29,102,533	31,444,543	28,951,155
Restricted funds	18	105,000	-	105,000	-
Total funds	18	31,709,861	29,102,533	31,549,543	28,951,155

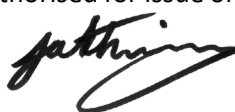
The notes on pages 20 to 44 form part of these financial statements.

As permitted by S408 of the Companies Act 2006 the charity has not presented its own income and expenditure account and related notes. Charity only income of £13,875,673 is included and a surplus result of £2,598,388 for the year for the charity.

Approved by the Board on 5 November 2024 and authorised for issue on 5 November 2024



Gary Withers - Chairman



Nick Farthing - CEO

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Group	
		2024	2023
		£	£
Cash flows from operating activities			
<i>Net cash provided by operating activities</i>	21	1,341,862	1,370,586
Cash flows from investing activities:			
Dividends, interest and rents from investments		227,189	123,400
Proceeds from the sale of investments		-	-
Purchase of property, plant & equipment / investment properties		(377,580)	(335,053)
Purchase of investments		(2,682,418)	(540,303)
<i>Net cash used in investing activities</i>		(2,832,809)	(751,956)
Change in cash and cash equivalents in the reporting period		(1,490,947)	618,633
Cash and cash equivalents at the beginning of the reporting period		3,337,289	2,718,657
Cash and cash equivalents at the end of the reporting period		1,846,342	3,337,289

Analysis of Changes in Net Debt

Group	Start of Year	Cash Flows	End of Year
Cash	3,317,369	(1,535,036)	1,782,333
Investment cash	19,920	44,089	64,009
	<u>3,337,289</u>	<u>(1,490,947)</u>	<u>2,327,726</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) 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) (effective 1 January 2019 - (Charities SORP 2nd edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Hospice in the Weald 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 notes.

The financial statements are presented in pounds sterling (GBP), being the functional currency of the group.

b) Preparation of the accounts on a going concern basis

Hospice in the Weald had £11,145k of unrestricted and non-designated funds to draw on as at 31 March 2024 should income fall dramatically during the next 2 years. Trustees consider it appropriate to prepare the accounts on a going concern basis. There are no material uncertainties about the group's ability to continue as stated in Principal Risks and Uncertainties on page 14 of the Strategic Report.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Hospice in the Weald (Trading) Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by paragraph 408 of the Companies Act 2006.

d) Income

Income is recognised upon entitlement, when the receipt is probable and when the value can be reliably measured. Gifts in Wills are recognised when receipt is probable. Gifts in Wills income, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executors' intention to make distribution. 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.

e) Statutory funding

Income received under agreements with statutory bodies is included in these accounts on a receivable basis where a contract exists. Where no contract exists, the income is recognised in accordance with the wishes of the relevant statutory body when it becomes probable that the income will be received, and it can be measured with sufficient reliability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

f) Investment income

Investment income represents gross income derived from investments held under unrestricted funds and is accounted for on a receivable basis.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

h) Expenditure

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 comprise the costs of fundraising and commercial trading
- Expenditure on charitable activities is the provision of care to patients and those important to them

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include ICT, finance, facilities and governance costs and are allocated on a departmental basis.

j) Operating leases

The charity classifies the lease of retail premises as operating leases; the title to the freehold or equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where their individual item cost exceeds £5,000 and then depreciated over their economic useful lives, less residual values, as follows:

- Hospice buildings – over the expected useful life of 35 years (building refurbishments are not depreciated in the year they are undertaken, but start in the following period)
- Shops (Freehold) - over the expected useful life of 50 years
- Equipment – 25% on a straight-line basis
- Software – 25% on a straight-line basis
- Motor vehicles – 25% on a reducing balance basis
- Leasehold Shop refits – Equally over the life of the lease

The Hospice regularly reviews the projected useful life of all fixed assets to determine that the cost is fairly amortised over the expected life of the asset. The Hospice building, which includes a significant element of specialist facilities, has been reviewed with the benefit of professional advice. It is concluded that consistent with similar facilities and with the benefit of regular maintenance the existing building should have a life expectancy of 35 years from April 1999 before needing to be replaced. Similarly the Cottage Hospice has a life expectancy of 35 years from December 2019 before needing to be replaced.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

l) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in a subsidiary company is held at cost less accumulated impairment losses.

m) Financial instruments

Financial instruments are recognised in the Balance Sheet when Hospice in the Weald becomes party to the contractual provisions of the instrument. The group has elected to apply the provisions of section 11 "Basic Financial Instruments" of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends upon the nature and purpose of the instruments and is determined at the time of recognition. Hospice in the Weald's financial instruments are categorised as basic financial instruments.

n) Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

o) Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

p) Stock

Stocks of donated goods are not brought into these financial statements under SORP FRS 102, paragraph 6.29. Stocks accounted for are goods for resale, which are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

q) Debtors

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

r) 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.

s) 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.

t) Pensions

The group contributes to the NHS Superannuation scheme for nursing and medical staff, which is a defined benefit scheme treated as a defined contribution scheme, and to a defined contribution scheme in respect of its other employees. Contributions are charged in the accounts as incurred or as a liability when recognised in accordance with employment legislation.

u) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

v) Estimates and area of judgements / uncertainty

In the application of the Group's accounting policies, which are described above, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

w) Restatement of prior year figures

The charity invests in accumulation units which do not pay separate dividends. The charity has been able to obtain additional information this year which has enabled it to separate out the element of overall return that represents income from the overall return. Consequently the figures for 2023 have been restated to increase investment income by £439,421 and increase the loss on investments for the same period by the same amount. This has no impact on the reported surplus or balance sheet for the year ended 31 March 2023.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Donations and legacies

	2024	2023
	£	£
Gifts in wills	2,495,253	2,917,870
Other donations	3,565,814	3,426,779
	<u>6,061,067</u>	<u>6,344,649</u>

£132,000 of other donations were considered restricted in 2024 (2023: £nil)

3. Investment income

	2024	2023
	£	As restated £
Bank interest	92,581	7,146
Investment Income - rebate	134,608	116,254
Dividends and Other Investment Income	481,384	439,421
	<u>708,573</u>	<u>562,821</u>

As noted in the accounting policies the prior year figures have been restated to gross up the inclusion of investment income.

4. Grant funding

4.1 Core funding from statutory bodies

	2024	2023
	£	£
Kent & Medway ICB	1,570,898	1,422,625
East Sussex Grant	105,893	102,322
	<u>1,676,791</u>	<u>1,524,948</u>

4.2 Other grants

	2024	2023
	£	£
WKCCG Pharmacy	93,798	141,527
WKCCG Continuing Care	68,811	124,498
Workforce Development Fund	500	1,500
Kent County Council Social Services	-	12,270
Kent, Surrey and Sussex Deanery	10,460	3,799
Clinical secondment fees	17,927	-
Research grants	4,278	-
	<u>195,774</u>	<u>283,594</u>

All grants were unrestricted in both periods.

5. Commercial trading operations

	2024	2023
	£	£
Income	664,287	575,196
Cost of sales	(42,640)	(48,353)
Administrative expenses	(467,680)	(375,465)
Total expenditure	<u>(510,320)</u>	<u>(423,818)</u>
Net Profit for the year	<u>153,967</u>	<u>151,378</u>

All taxable profits of the trading subsidiary will be gifted up to the Charity

Commercial trading operations cont.

Included in income is £525,820 (2023: £438,452) of transactions between the two companies that have been removed upon consolidation being the procurement charge in regard to sales made under the gift aid scheme.

6. Total net incoming resources are stated after charging:

	2024	2023
	£	£
Amounts payable to the auditors in respect of: Statutory audit	27,000	25,850
Amounts payable to the auditors in respect of other services		
- corporation tax compliance	3,275	3,200
- accounts preparation	4,500	-
Depreciation	553,307	455,702
Operating lease rentals	462,577	462,577

7. Raising Funds Expenditure

	2024	2023
	£	£
Fundraising costs	884,715	835,769
Retail Shops	2,968,417	2,684,133
Investment Management Fees	82,565	76,573
	<u>3,935,698</u>	<u>3,596,475</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Hospice Services

Direct costs	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Hospice Outreach Service (formerly Hospice in the Home)	1,960,840	-	1,960,840	1,736,924	-	1,736,924
Cottage Hospice	927,974	-	927,974	1,069,291	-	1,069,291
Counselling	485,416	-	485,416	348,019	-	348,019
Living Well (formerly Hospice Day Services)	612,124	-	612,124	305,821	-	305,821
In-Patient Ward	2,333,213	27,000	2,360,213	2,303,517	-	2,303,517
Children's Service	235,284	-	235,284	200,233	-	200,233
Hospitality	462,438	-	462,438	446,021	-	446,021
Communications	63,671	-	63,671	60,931	-	60,931
Depreciation	540,225	-	540,225	462,054	-	462,054
	<u>7,621,185</u>	<u>27,000</u>	<u>7,648,185</u>	<u>6,932,811</u>	<u>-</u>	<u>6,932,811</u>
Support Costs						
Indirect costs of providing Hospice Services	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Office costs	616,649	-	616,649	472,079	-	472,079
Information technology	48,370	-	48,370	106,407	-	106,407
Accommodation	322,400	-	322,400	310,197	-	310,197
Accountancy and audit	32,980	-	32,980	30,500	-	30,500
Legal Costs	25,500	-	25,500	5,101	-	5,101
	<u>1,045,898</u>	<u>-</u>	<u>1,045,898</u>	<u>924,284</u>	<u>-</u>	<u>924,284</u>
Total Hospice Services costs	<u>8,667,083</u>	<u>27,000</u>	<u>8,694,083</u>	<u>7,857,094</u>	<u>-</u>	<u>7,857,094</u>

No Member of the Board received any remuneration, fees or reimbursement of expenses from the group during the year under review or the previous year.

No Member of the Board was associated with any contract of purchase or supply to the Hospice during the year under review or the previous year except as set out in note 23.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. **Staff costs**

	2024	2023
	£	£
Wages and salaries	6,759,716	6,212,324
Social security costs	616,802	565,271
Other pension costs – unrestricted	542,956	517,901
	<u>7,919,474</u>	<u>7,295,496</u>

The average number of people employed by the hospice (excluding Trustees and volunteers) during the year was:

	2024	2023
Medical & Nursing	104	116
Counselling and Support Services	24	22
Fundraising (including Lottery)	13	11
Facilities, Catering and Housekeeping	22	18
Shops	50	47
Finance and IT	14	11
Management and Administration	5	7
	<u>232</u>	<u>233</u>

The allocation of staff for 2023 has been reclassified to ensure that it is on the same basis as 2024

Bank (zero contract hours) and agency staff have not been included in the staff numbers

The number of employees whose emoluments exceeded £60,000 was:

£60,001 - £70,000	4	2
£70,001 - £80,000	2	1
£80,001 - £90,000	0	1
£100,001 – £110,000	0	1
£110,001 – £120,000	1	0
	<u>7</u>	<u>5</u>

In respect of higher paid employees benefits were paid into a defined contribution scheme for 6 (2023: 5) employees and into a defined benefit scheme for 1 (2023: 1) employees. Total contributions to a defined contribution scheme in respect of these employees were £37,160 (2023: £19,710).

Key management personnel remuneration costs, as represented above, for the year amounted to £637,776 (2023: £483,337).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. Pension costs

The group contributes to the NHS Superannuation scheme for nursing and medical staff and to a defined contribution scheme for other staff. The NHS Superannuation Scheme is an approved multi-employer scheme and, as such, the charity is not able to identify its share of assets or the potential liability it may have to the scheme at the balance sheet date. Contributions payable in the accounting period are charged to the statement of financial activities as they fall due. The pension costs, classified under staff costs, represent contributions payable by the group to the schemes and amount to £542,956 (2023: £517,901).

11. Tangible fixed assets

Group	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2023	13,024,877	232,134	51,050	589,107	13,897,168
Additions	-	-	47,083	330,496	377,580
Disposals	-	-	-	-	-
At 31 March 2024	13,024,877	232,134	98,133	919,604	14,274,748
Depreciation					
At 1 April 2023	4,442,370	145,723	41,964	231,096	4,861,153
Charge for year	400,897	25,234	7,358	119,818	553,307
Depreciation on disposal	-	-	-	-	-
At 31 March 2024	4,843,267	170,957	49,322	350,914	5,414,460
Net book value					
At 31 March 2024	8,181,609	61,177	48,812	568,690	8,860,288
At 31 March 2023	8,582,507	86,411	9,086	358,011	9,036,016

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Tangible fixed assets cont.

Charity	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2023	13,024,877	232,134	51,050	580,188	13,888,249
Additions	-	-	47,083	330,496	377,580
Disposals	-	-	-	-	-
At 31 March 2024	<u>13,024,877</u>	<u>232,134</u>	<u>98,133</u>	<u>910,685</u>	<u>14,265,829</u>
Depreciation					
At 1 April 2023	4,442,369	145,723	41,964	222,178	4,852,233
Charge for year	400,897	25,234	7,358	119,818	553,307
Depreciation on disposal	-	-	-	-	-
At 31 March 2024	<u>4,843,266</u>	<u>170,957</u>	<u>49,322</u>	<u>341,996</u>	<u>5,405,540</u>
Net book value					
At 31 March 2024	<u>8,181,609</u>	<u>61,177</u>	<u>48,812</u>	<u>568,690</u>	<u>8,860,288</u>
At 31 March 2023	<u>8,582,507</u>	<u>86,411</u>	<u>9,086</u>	<u>358,011</u>	<u>9,036,016</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Fixed Assets Investments Portfolio

Group and Charity	2024	As restated 2023
	£	£
Quoted and listed investments	18,593,429	15,693,608
Fixed Interest Cash Investments	2,181,416	499,000
Total Investments	<u>20,774,845</u>	<u>16,192,608</u>
Quoted and listed investments comprise:		
UK managed funds	18,593,429	15,693,608
Movements on quoted and listed investments:		
Market Value at beginning of the year	15,693,608	16,176,516
Additions at cost	1,000,000	41,303
Disposals at carrying value	0	0
Dividends reinvested	481,384	439,420
Net loss/(gain) on revaluation	1,374,348	(962,008)
Movement on cash balance	44,089	(1,624)
Market value at the end of the year	<u>18,593,429</u>	<u>15,693,608</u>
Cost of Quoted and Listed Investments	14,481,905	12,956,285
Cost of Fixed Term Cash Investments	2,168,511	499,000
Total Cost as at 31st March 2024	<u>16,650,416</u>	<u>13,455,285</u>

Investments which comprise more than 5% of the total market value of investments at the 31 March 2024 were:

Sarasin Alpha CIF for endowments (accumulated units)	18,593,429
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Shares in subsidiary undertakings

	2024	2023
	£	£
Cost of shares in subsidiary undertakings	<u>100</u>	<u>100</u>

	% of Ordinary Shares held	Country of incorporation
Hospice in the Weald (Trading) Limited	100%	England and Wales

Hospice in the Weald (Trading) Limited, company no 1886504, has assets of £168,244 and liabilities of £7,825.

14. Stocks

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Goods for resale	<u>7,792</u>	<u>7,291</u>	<u>-</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Other debtors	147,765	124,432	147,765	124,432
Trade debtors	1,531,554	1,313,581	1,531,554	1,313,581
HITW (Trading) Ltd	-	-	-	-
Accrued income	489,536	801,111	489,536	801,111
Prepayments and deferred costs	370,869	278,760	370,869	278,760
	<u>2,539,724</u>	<u>2,517,884</u>	<u>2,539,724</u>	<u>2,517,884</u>

16. Creditors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Amounts due within one year				
Trade creditors	483,049	341,705	483,049	341,705
HITW (Trading) Ltd	-	-	154,380	34,197
Other Creditors	-	11,500	-	11,500
Other taxation and social security creditor	147,111	128,428	147,111	128,428
Pension accrual	65,469	39,233	65,469	39,233
Accruals	134,787	112,268	126,962	112,268
Deferred income	1,424,705	1,335,499	1,424,705	1,335,499
	<u>2,255,122</u>	<u>1,968,633</u>	<u>2,401,677</u>	<u>2,002,830</u>

	2024	2023
	£	£
Deferred Income		
Brought forward	1,335,499	56,441
Deferred income	1,424,705	1,335,499
Released	(1,335,499)	(56,441)
Carried forward	<u>1,424,705</u>	<u>1,335,499</u>

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place and Grant income for 2024/25 invoiced prior to the year end for the year 2024/25.

The advance from Hospice in the Weald (Trading) Limited represents the net of the donor procurement charge to the Charity and the retail costs charge to the Trading company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Financial Instruments

Financial Instruments - Group	2024	2023
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	18,593,429	15,693,608
Financial Instruments - Charity		
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	18,593,429	15,693,608

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Movement in funds

Group	Balance at 01-Apr 2023 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2024 £
Unrestricted funds					
General fund	9,544,517	13,353,182	(11,618,160)	(134,965)	11,144,573
Designated funds					
Hospice Fixed Assets	9,036,016	377,580	(553,308)	-	8,860,288
Future Development Needs	8,200,000	-	(35,765)	335,765	8,500,000
Building Maintenance Fund	1,430,000	-	(114,136)	384,136	1,700,000
Children's Services Fund	392,000	-	(211,149)	319,149	500,000
IT Development Fund	500,000	-	(70,263)	(29,737)	400,000
Sustainability programme	-	-	-	300,000	300,000
Technology Fund	-	-	-	200,000	200,000
Total designated funds	19,558,016	377,580	(984,621)	1,509,313	20,460,288
Restricted funds					
Support our nurses	-	52,000	(27,000)	-	25,000
Reception refurbishment	-	80,000	-	-	80,000
	29,102,533	13,862,761	(12,629,781)	1,374,348	31,709,861

Restricted funds are those funds given by the donors for specific purposes as follows:

Support our nurses – funds given to cover nursing salaries for a specific period of time

Reception refurbishment – funds given to specifically enhance our reception area to improve the experience for visitors and our team. This work is currently planned for 2024/25.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Movement in funds cont.

Charity	Balance at 01-Apr 2023 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2024 £
Unrestricted funds					
General fund	9,393,139	13,366,094	(11,640,012)	(134,965)	10,984,255
Designated funds					
Hospice Fixed Assets	9,036,016	377,580	(553,308)	-	8,860,288
Hospice Building Fund	8,200,000	-	(35,765)	335,765	8,500,000
Building Maintenance Fund	1,430,000	-	(114,136)	384,136	1,700,000
Children's Services Fund	392,000	-	(211,149)	319,149	500,000
IT Development Fund	500,000	-	(70,263)	(29,737)	400,000
Sustainability Programme	-	-	-	300,000	300,000
Technology Fund	-	-	-	200,000	200,000
Total designated funds	19,558,016	377,580	(984,621)	1,509,313	20,460,288
Restricted funds	-	-	-	-	-
Support our nurses	-	52,000	(27,000)	-	25,000
Reception refurbishment	-	80,000	0	-	80,000
	28,951,155	13,875,673	(12,651,633)	1,374,348	31,549,543

Designated Funds: The Trustees have designated funds to provide for future development and maintenance of the Hospice buildings; Children's Services development for the coming year; ICT Development Fund to continue to improve IT infrastructure and business systems; Sustainability programme to achieve sustainability goals; Technology fund to invest in future advances in care

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

**18. Net movement in funds cont'd
Comparative figures - Group**

	Balance at 01-Apr 2022 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2023 £
Unrestricted funds					
General fund	9,006,423	12,663,269	(9,490,089)	(2,635,086)	9,544,517
Designated funds					
Hospice Fixed Assets	8,877,196	335,053	(462,054)	285,821	9,036,016
Future Development Needs	8,196,748	-	(1,080,696)	1,083,948	8,200,000
Building Maintenance Fund	1,000,000	-	(276,190)	706,190	1,430,000
Children's Services Fund	500,000	-	(89,770)	(18,230)	392,000
IT Development Fund	500,000	-	(54,770)	54,770	500,000
Total designated funds	19,073,944	335,053	(1,963,480)	2,112,499	19,558,016
Restricted funds	-	-	-	-	-
	28,080,367	12,998,322	(11,453,570)	(522,587)	29,102,533

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Net movement in funds cont'd

Comparative figures - charity

	Balance at 01-Apr 2022 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2023 £
Unrestricted funds					
General fund	9,006,423	12,240,704	(9,504,724)	(2,349,265)	9,393,139
Designated funds					
Hospice Fixed Assets	8,877,196	620,874	(462,054)	-	9,036,016
Future Development Needs	8,196,748	-	(1,080,696)	1,083,948	8,200,000
Building Maintenance Fund	1,000,000	-	(276,190)	706,190	1,430,000
Children's Services Fund	500,000	-	(89,770)	(18,230)	392,000
IT Development Fund	500,000	-	(54,770)	54,770	500,000
Total designated funds	19,073,944	620,874	(1,963,480)	1,826,678	19,558,016
Restricted funds	-	-	-	-	-
	28,080,367	12,861,578	(11,468,204)	(522,587)	28,951,155

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Analysis of group net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Group 2024				
Fixed assets	-	8,860,288	-	8,860,288
Investments	9,174,845	11,600,000	-	20,774,845
Current assets	4,224,849	-	105,000	4,329,849
Current liabilities	(2,255,122)	-	-	(2,255,122)
	11,144,573	20,460,288	105,000	31,709,861
Charity 2024				
Tangible fixed assets	-	8,860,288	-	8,860,288
Investments	9,174,845	11,600,000	-	20,774,845
Shares in subsidiary company	100	-	-	100
Current assets	4,210,987	-	105,000	4,315,987
Current liabilities	(2,401,677)	-	-	(2,401,677)
	10,984,255	20,460,288	105,000	31,549,543
Group 2023	£	£	£	£
Fixed assets	-	9,036,016	-	9,036,016
Investments	5,670,608	10,522,000	-	16,192,608
Current assets	5,842,543	-	-	5,842,543
Current liabilities	(1,968,633)	-	-	(1,968,633)
	9,544,517	19,558,016	-	29,102,533
Charity 2023				
Tangible fixed assets	-	9,036,016	-	9,036,016
Investments	5,670,608	10,522,000	-	16,192,608
Shares in subsidiary company	100	-	-	100
Current assets	5,725,260	-	-	5,725,261
Current liabilities	(2,002,830)	-	-	(2,002,830)
	9,393,139	19,558,016	-	28,951,155

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20. Operating leases – All Property

	2024	2023
	£	£
At 31 March 2024 the group and charity were committed to:		
Leases which expire - within one year	433,791	597,541
- within 2 to 5 years	1,182,577	1,590,227
- after 5 years	400,677	407,419
	<u>2,017,045</u>	<u>2,595,187</u>

21. Reconciliation of net income to net cash flow

	Group	
	2024	2023
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	2,607,328	1,022,166
Adjustments for:		
Depreciation charges	553,307	455,702
(Gains) / losses on investments	(1,374,348)	962,007
Dividends, interest and rents from investments	(708,573)	(562,820)
(Profit) / loss on the sale/disposal of fixed assets	-	-
Decrease / (Increase) in stocks	(501)	(526)
Decrease / (increase) in debtors	(21,840)	(1,766,723)
Increase / (Decrease) in creditors	286,487	1,260,780
	<u>1,341,862</u>	<u>1,370,586</u>

22. Members' liability

Hospice in the Weald is a company limited by guarantee, with no share capital. Every member undertakes to meet the liabilities of the company in the event of its being wound up. The potential liability of each member does not exceed £1. Total guarantees at 31 March 2024 were £25 (2023: £25).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

23. Related party transactions

A net total of £66,346 (2023: £59,256) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited have been removed upon consolidation. £6,000 (2023: £6,000) is for shared office facilities at the Hospice building, £525,820 (2023: £438,452) is the procurement charge in regard to sales made under the gift aid scheme referred to in note 5 and an administration charge of £458,183 (2023: £381,596) from the Charity to the Trading Company. Included within creditors in the Charity balance Sheet is an amount of £154,380 (2023: £34,196) owed to Hospice in the Weald (Trading) Limited, a wholly owned subsidiary of Hospice in the Weald. This balance was eliminated on consolidation.

Related party transactions are carried out on an arm's length basis

24. Capital Commitments

At 31 March 2024 the group had no capital commitments (2023: £nil).

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Opinion

We have audited the financial statements Hospice in the Weald (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the group statement of financial activities, the group and charity balance sheets, the group cash flow statement and the notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

Other information

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

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.

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 which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic 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' Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities on page 16, 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 the 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 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 as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services and those issued by the Gambling Commission covering the requirements for running a lottery.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.


During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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.

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.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Saffery LLP
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

11 November 2024

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

HOSPICE IN THE WEALD

England & Wales - Charity number 280276

Accounts



HOSPICE IN THE WEALD

ANNUAL REPORT (and consolidated financial statements)

YEAR ENDED 31 MARCH 2023

**Charity No. 280276
Company Registration No 01499846 (England and Wales)**

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Introduction from our Chairman

I am delighted to present this year's annual report which sets out our performance over the last financial year, and our plans for the future. During this period, we saw a return to business as usual with COVID seemingly a distant memory. The mark left by the impact of the pandemic is still visible but, we've continued to strive forward with resilience, ensuring we are here to provide care and support to those who need us most.

Over the last year, we've been busy preparing the launch of our service for children and young people. Building a team of skilled and caring professionals to offer care and support to the many children living with a life-limiting condition and their families in Kent and Sussex. 2023 saw the launch of our service and the first families to access the service. Although still in its infancy the Children's Service continues to grow and will help more and more families as we develop what we offer.

Furthermore, I am delighted to have welcomed three new directors to the organisation. Andrew Stott, Operations Director has a background in construction and facilities, helping us to improve our sites and the services our Active Support teams offer. Katie Greywood, Income Generation Director has worked in fundraising for a range of national and international charities for over a decade and has been growing our income streams across fundraising, retail, and other avenues. Sarah Winn, Finance Director joined us in April 2023 just outside of the 2022-23 financial year but has already started making an impact along with producing this annual report.

Our Hospice Outreach Service has also undergone an important redesign. A process involving the wider organisation, all working together to improve the experience for patients and their families as well as our ability to meet more unmet need. The redesign ensures that we are putting the right people around the patient at the right time, reducing unnecessary visits, allowing us to prioritise those who need us most and empowering patients and their loved ones to take a more active role in their care and make the most of the time they have left.

Services haven't been the only part of the hospice undergoing a transformation, our beautiful gardens have been reimaged thanks to the support of our local community and generous donors. A Victorian greenhouse now stands proudly outside our Living Well Centre, to be enjoyed by patients and their loved ones through our therapeutic horticulture both in the greenhouse and surrounding raised beds. The lower gardens have been landscaped, making them more accessible for everyone to reach the serene water feature and its amphibious inhabitants. We are extremely grateful to have such wonderful gardens for everyone to enjoy. Thanks, as always, to our hardworking and dedicated volunteer gardeners.

Retail has built upon the successes from the previous year, performing better than ever thanks to innovative pop-up shops in our local area as well as the return of popular events such as our Love Your Labels Lock-in. I'm also proud that we were shortlisted for a Charity Retail Association award for sustainability. Something else our shops contribute to the wider community, recycling and reusing effectively, so that pre-loved goods get another lease of life.

The new Executive team remain focused on providing outstanding palliative care and support to everyone who needs it, both adults and children. We empower people to celebrate life and make the most of the precious time they have for living. All of this would not be possible without the continued support from our community who visit our shops, give their time to volunteer, make generous donations and share our stories. My sincere thanks to every one of you who support Hospice in the Weald, without you it wouldn't be possible. No one should face a terminal illness alone, your support means no one has to.



Gary Withers
Chairman

CHARITY INFORMATION

Charity registration number	280276	
Company number	01499846	
Trustees	Dr N Benson Ms S Cockaday Ms J Ford Ms C Freshwater Dr S Grieve Ms S Pinkney Mr T Rolfe Mr E Wesson Mr G Withers Ms L King Ms C Ratnayake Mr A Bogle Dr J Halbert Dr A Long Mr P Stevenson	Resigned 25 April 2023 Resigned 6 December 2022 Appointed 6 December 2022 Appointed 6 December 2022 Resigned 1 November 2022 Resigned 1 November 2022 Appointed 18 July 2023 Appointed 18 July 2023
Hospice Leadership Team	Mr N Farthing Mr P Madden Ms A Patel Ms S Winn Mrs J Thirkettle Ms K Greywood Mr A Stott	Chief Executive Care Director Interim Finance Director 16 August 2022 – 1 April 2023 Finance Director appointed 1 April 2023 Clinical Director Income Generation Director Appointed 30 August 2022 Operations Director Appointed 20 February 2023
Patrons	Mr Greg Clark MP Mr Chris Cowdrey Mr Rob Eades Mr Tim Edmunds Ms Nusrat Ghani MP Ms Helen Grant MP Mr Charles Hendry Mr Tom Tugendhat MP	
President	Mr Simon Lee	
Vice Presidents (Members)	Mr Peter Bennellick Mrs Sonia Burt Mr Martin Dace Mr Brian Dudley Sir Jeremy Elwes Mr Peter Lewis	

CHARITY INFORMATION

Vice Presidents (Non-members)	Mr David Payne Mr Richard Snow
Registered address	Maidstone Road Pembury Kent TN2 4TA
Independent auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Lloyds Bank Plc 82 Mount Pleasant Road Tunbridge Wells Kent TN1 1RP
Investment Fund Management	Sarasin & Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (“the Charities SORP”) and Financial Reporting Standard (FRS) 102 in preparing the annual report and financial statements of the Charity. The Charity is a charitable company limited by guarantee and was established on 27 June 1980. The Charity is governed by its Memorandum and Articles of Association whose objects are entirely charitable.

Charitable Objects

The objects for which the Charity is established are:

To promote the relief of sickness in such charitable ways as the Charity shall from time to time think fit, and in particular (but without prejudice to the generality of such object):

- to promote the care without limitation of sex, race or age, of persons suffering from terminal illness or intractable pain whether in hospitals, nursing homes, clinics or their own homes and to provide medical nursing and other treatment and attention according to their needs, together with guidance and assistance for those caring for them;
- to conduct, promote and encourage research into the care and treatment of sufferers from terminal illness or intractable pain and to make publicly available the results of such research and to promote, encourage and assist in the teaching and training of doctors, nurses, physiotherapists, psychologists and other persons engaged in the care of such sufferers.

Hospice in the Weald serves a population of over 400,000 people covering an area of over 400 square miles of West Kent and East Sussex. It delivers a multi-professional service to improve the quality of life for patients with a terminal illness and those important to the patient.

Organisational Structure, Governance and Management

The Charity is established for the purposes expressed in the Articles of Association. The Trustees are expected to serve an initial term of three years and can then be re-elected to serve a further term to not normally exceed six years in total. The Board considers any Trustee vacancies to ensure that there remains on the Board a balance of skills, diversity and experience. Prospective Trustees are interviewed by the Chairman and at least two other Trustees and meet with the Chief Executive. New Trustees receive induction arranged by the Chief Executive and, in advance, receive key documents to allow them to understand the organisation.

Trustees do not receive any remuneration but are entitled to be reimbursed for any expenses incurred in attending Board meetings. No expenses were claimed during the year (2022 - £nil).

The appointment, resignation or retirement of Trustees is announced at the Charity's Annual General Meeting (AGM).

Trustees have ultimate responsibility for the Charity. They meet at least four times a year to review the strategy and performance of the Charity and to set objectives, operating plans and budgets and approve the annual accounts.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Committees

Separate committees have been established to provide specific support and guidance to the Chief Executive and the Hospice Leadership Team (HLT). Each committee is chaired by a Trustee and determines the frequency and content of its meetings depending on the needs of the organisation. The terms of reference for each committee are reviewed by the Board once a year and the Chairman is ex-officio on all committees. The Chair of each committee gives a report to the full body of Trustees at Board meetings.

Committee Membership: -

Finance and Commercial Committee: Ms C Freshwater (Chair), Ms J Ford, Ms S Pinkney, Ms S Cockaday, Dr S Grieve, Mr E Wesson, Ms L King (appointed 6 December 2022), Mr N Farthing, Mr G Withers (ex-officio), Ms A Patel (appointed 16 August 2022), Ms K Greywood (appointed 30 August 2022).

Clinical Governance Committee:), Dr N Benson (Chair), Ms J Ford, Dr S Grieve, Ms S Pinkney, Ms S Cockaday, Ms C Ratanake, Mrs J Thirkettle, Mr P Madden, Mr N Farthing, Mr G Withers (ex-officio).

Children's Services Committee: Ms J Ford (Chair), Dr N Benson, Mr E Wesson, Ms C Ratanake (appointed 6 December 2022), Mr N Farthing, Mr G Withers (ex-officio).

The Trustees delegate authority for the day-to-day management of the Charity and its subsidiary company to its appointed Chief Executive, supported by the Hospice Leadership Team with specialist and individual responsibility for all functional activities. The subsidiary (trading) company has a Board of Directors and operates at arm's length from the charity.

Trustee Training

On joining the Board, all new Trustees undergo an induction process and are made aware of the Charity Commission's Charity Trustee Welcome Pack and online training provision. The Trustees organise their own training and development as individuals and collectively, as a Board, and are responsible for completing any mandatory training required by the Charity. The Hospice Leadership team and the Trustees meet once a year for a Development Day, to focus on determining strategy and joint learning.

Public Benefit

The presumption of public benefit was removed by the Charities Act 2011. Charities are therefore required to demonstrate public benefit. The objects of Hospice in the Weald are set out on page 7. Accordingly the charitable purposes of Hospice in the Weald fall within the criteria of Section 2 of the Charities Act 2011 and thereby the organisation, which has been established exclusively for charitable purposes, is for public benefit. In planning the activities for the year, the Trustees have given careful regard to the Charity Commission's guidance on public benefit and considered its implications for the Charity.

Related Party Disclosures

We need to make disclosures in respect of 'related party disclosures' as FRS 102 requires disclosure of group transactions such as those in note 22. It is also prudent in this annual report to make clear that some of the income derived through our charity shops is undertaken by a trading company. We have two of the Charity Trustees, including the Chairman, act as the Directors of the trading company. The CEO and Head of Retail work alongside them and also act as Directors of the trading company. Hospice in the Weald (Trading) Ltd charged Hospice in the Weald £438,452 for donor procurement in the year to 31 March 2023 (2022 - £313,097).

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Charitable Activities

Our main focus is to deliver our care to the maximum number of people who need it and we are committed to increasing the number of Hospice palliative care referrals we get each year. We have redesigned our Outreach service this year which has put us in a better position to achieve our aim of increasing referrals year on year however this has resulted in a lower referral number this year than last at 1,496 (2022: 1707). We are confident that this will increase in the coming years in line with our strategic objectives and we have a number of initiatives planned for the coming year to increase referrals.

Key Performance Indicators (KPIs) - Dashboard

The Hospice has a number of KPIs. These include clinical referrals, occupancy, patients preferred place of death, as well as financial indicators and staff turnover. These KPI's contain both quantitative and qualitative measures which are reported on a regular basis through each of the Board committees.

Strategic Objectives

The reporting period covered year two of our strategic plan and we continued to link our business objective to one or more of the following six Strategic Aims.

- Grow our reach and improve earlier access to Hospice care for people of all ages.
- Plan and provide care in a safe and responsive way that meets the needs of each individual and the communities we serve, working with local system partners to plan care.
- Ensure that our care is safe and effective, having meaningful impact for patients and their loved ones.
- Develop reliable sources of income so that current and future expenditure is sustainable.
- Make best use of resources, maximise capacity and utilisation, and operate cost effectively.
- Build our social and environmental sustainability.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Charitable Activities

Hospice in the Weald has worked hard to be as supportive and accessible as ever with our focus on the empowerment of our patients and their families in decisions around their care. The Hospice received 1,496 referrals (2022 – 1,707) to the Outreach service and the Ward in the year. Our Outreach Service was redesigned during the year to better provide the patient centered care our patients need. This involved reallocating staff, reviewing caseloads and evolving our triage processes, which has ultimately enabled our patients to have more control over their own care by providing patient initiated follow ups. These changes will enable us to reach more of the people who need our service in the future. Our Childrens service was launched in January 2023 and since then has grown rapidly, responding to the number of families who need us. We reached our full 12 month referral target of 8 within 3 months of the service launch, confirmation of the pressing need for this service in our area.

We have rewritten our clinical governance framework, ensuring a greater focus on quality, safety, effectiveness, and feedback from patients and their loved ones about our services.

Our Living Well team has continued to add to our service offering and has been able to deliver a wide range of care for individuals and their loved ones both at Pembury and at our Cottage Hospice location. Our Counselling and Support team has been working alongside all of our services, providing pre and post bereavement support for our patients and their families. Counselling and Support, alongside our communications team, have also led our work around Advance Care Planning for each individual, further enhancing our patient focused approach.

During the year Hospice in the Weald has continued the work started in the previous year to improve its own infrastructure. In line with our responsibilities to the environment and wider society, work to update our Pembury building with the installation of energy efficient boilers was undertaken in the year and we will build on this throughout the coming year with several energy efficiency initiatives planned. The appointment of our Operations Director, Andrew Stott, has enabled us to plan and deliver more infrastructure improvements for the benefit of both our patients and our workforce. To this end, installation of climate control in each of our inpatient rooms and an upgrade to our IT network are planned for the early part of the coming year alongside the development of our new Children's Centre and other initiatives to improve our environmental impact are in the pipeline.

Our Retail operations have gone from strength to strength and in the year we were delighted to open our 30th shop. Fundraising has had a successful year with a full programme of events and appeals and as a result of the strong performance from both we were able to negate the impact of the end of the covid grants .

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Our People – Diversity and Inclusion

Hospice in the Weald spends its revenue principally on the provision of care. Our people are our most important resource and are the majority of our expenditure. The highly skilled Consultants, Doctors, Nurses and other clinical and care staff are where we focus our expenditure.

We were pleased to hold our workforce celebration event in the year for our people and their families. It was an opportunity to thank everyone for their hard work and celebrate the efforts that everyone makes in order to deliver our excellent service to our patients and their loved ones.

We have been concentrating on our workforce development in the year with an increase in in-house and external training and with the launch of a leadership programme for people in the organisation with management responsibilities to help develop their skills in that role. We also recognised that menopause support and understanding was an important addition to our inclusion and diversity training and took steps to include this within our training programme along with developing a menopause policy.

Our volunteers are integral to our organisation. We recruit them, train them and are responsible for them. At 31 March 2023 we had 1009 (2022 – 983) volunteers working across all the Services and Departments in the Hospice and in all of our shops.

Income generation compliance report

Hospice in the Weald employs a core fundraising staff to develop, promote and run a range of fundraising campaigns, assisted by vital volunteers and taken up by our supporters. We steward our donors and promote our fundraising campaigns to them, and the wider community which we serve, through direct mail, e-mail contact, telephone and digitally.

We constantly monitor the cost and time which goes into each fundraising activity against the financial return to ensure we are making the most of every donation received.

We are registered with the Fundraising Regulator and work in accordance with the Code of Fundraising Practice, and the best practice laid out by the Hospice Lotteries Association, Chartered Institute of Fundraising and Charity Retail Association. Our lottery and raffles are promoted in accordance with the Gambling Commission guidelines and we have checks in place to monitor third parties who carry out work for us, or who we enter into contracts with.

We received no complaints through the Fundraising Regulator during the year. We review the frequency and appropriateness of our communications and provide an option for supporters to 'opt-out' of our communications. We contact based on legitimate interest, and privacy information & communication preferences are clearly communicated on our website.

We continue to listen to our supporters and to learn from them to shape our fundraising activity. Our supporters are very important to us and we put them at the heart of everything we do.

Financial Review

The overall result for the year after unrealised losses, and including restricted funds, amounted to a surplus of £1,022,166 (2022 £887,238)

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Income Generation

Fundraising

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £12.998 million showed an increase of £2m over the previous year. In the year we received funding from the Kent & Medway Integrated Care

Board of £1,196,625, an increase on the previous years figure of £928,260. We also received additional funding in the year of £226,000 for improving palliative care in carehome. This funding from Kent and Medway ICB has been included in core funding.

Voluntary income by way of donations and legacies (Gifts in Will) totaled £6,344,649 compared to £4,587,451 in the previous year.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit before tax of £151,378, a £151,000 increase on the previous year.

Retail

The contribution from our retail shops during the year amounted to £2,227,062. This figure includes the £151,378 trading profit in Hospice in the Weald (Trading) Limited plus the donations raised in relation to goods sold on behalf of donors and associated Gift Aid claims. Gift Aid is claimed by the Charity in respect of donations received from donors who agree to donate funds raised from the sale of their goods. The charity appoints Hospice in the Weald (Trading) Limited to act as agent for the sale of donated goods in the retail shops in accordance with HMRC's approved methodology. Hospice in the Weald (Trading) Limited charges donors a commission for selling their goods as their agent and makes a charge to the Charity for the service it provides in procuring donations for the Charity.

Operating Expenditure

We are reporting an increase in our total operating expenditure from £7,545,596 to £7,857,094 a 4% increase year on year. The largest part of this increase was for the further development and launch of our Children's Service £200,233 (2022 - £35,093). In the year we allocated the costs of our communications team from fundraising to support costs in recognition of the wider service provided by the team to the Hospice as a whole resulting in an increase in office costs against last year to £472,079 (2022: £233,059) as set out in note 7.

Financial Management

Investments

An unrealised loss on investments of £522,587 is included in the overall result for the year of £1,022,166. In the year to 31 March 2023, the investment portfolio managed by Sarasin & Partners produced a return of -6.1% (after all fees and costs) as compared to the index based benchmark return of -4%, the Asset Risk Consultant (ARC) Charity Peer Group return of -7.7%. Performance should be considered against a background of a period of significant economic turbulence in the UK during the last year.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. Board have defined free reserves as unrestricted cash and market investments less designated funds. The value of free reserves on this basis was £9m at 31 March 2023, and this equates to ca 9 months of operating costs. The Board are satisfied that this level of free reserves is prudent and desirable.

Trustees have designated the following funds:

- £8.2 million for future development needs
- £0.4 million for the Children's Service fund
- £1.43million for the building maintenance fund
- £0.5 million for the development of our ICT infrastructure

The Charity has no restricted funds at 31 March 2023 and after these designations the Charity's General Funds amount to £9.5 million.

Funds

- a) Restricted – these funds represent the balance of specific donations received after expenditures have been made in accordance with the donors' wishes and are therefore not freely available.
- b) Designated – these are funds which the Board has earmarked for specific capital commitments and new initiatives. The majority of designated funds relate to Hospice buildings necessary to create the infrastructure to enable the Hospice to further its general objectives.
- c) General – these funds represent the balance of funds which are available to meet existing liabilities and contracted obligations and future operating costs.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Hospice Leadership Team and Trustees have identified the following key areas of risk and have taken appropriate action, as far as it is possible and practical, to protect the organisation from any potential adverse exposures that could arise from:

1. Changes in external environment which result in there being a reduction in non-statutory funding and where we are not able to maintain historic levels of voluntary/community fundraising.
2. Changes in the external environment result in there being a lack of statutory (State/NHS) funding and where Clinical Commissioning Groups (CCGs) do not commission/fund at historic levels of NHS funding. We are not able to maintain historic levels of voluntary/community fundraising
3. Direct competition from other organisations who want to provide services we have traditionally provided, undermining our position in the community.
4. Damage to our reputation from a clinical error which adversely affects our services and our standing.
5. Damage to our reputation from a non-clinical incident or error which adversely affects the organisation and its standing.

The above risks are the current high-level risks and are identified through various systems and processes and are included in the Board Assurance Framework (BAF). These risks and all other risks that are identified for the organisation are managed in accordance with a comprehensive risk strategy that determines the scoring system for both the likelihood of a risk and the consequences should that risk come to fruition. This gives both the management and the Trustees the view of a raw scoring system which is then subjected to a number of management actions to mitigate the likelihood of the risk occurring. These mitigating management actions are kept under constant review.

In recognition of the importance of this area the Board has recruited Trustees accordingly and has approved the creation of a Risk Committee that will have its inaugural meeting early in the coming year.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Future Developments

There are a number of areas of development that will help the Hospice to reach more people and improve access to its care.

We have identified a location for our Children's Centre to provide onsite as well as at home support and we have started the development process for Shepherd's House, a property located next to our Cottage Hospice site. Our aim is to open our Children's Centre there by March 2024.

For adult patients, we are continuing our work on the empowerment of patients by implementing a remote symptom monitoring app in addition to an online Advance Care Planning tool. These will give our patients the help to manage their wellbeing and ensure that we have the right person caring for each patient at the right time, in the right setting.

Building on our Never too Early campaign, launched towards the end of the year, we are developing a forum to encourage people to talk and think about death and dying for launch in the early part of the coming year.

Our fundraising calendar is now fully back to pre-covid levels and we look forward to another year of successful community events. We're planning a Gifts in Wills campaign for late in the coming year to highlight the benefits of leaving a gift to the Hospice.

We have worked hard through the year to improve our approach to data and insights across the organisation and will continue this emphasis throughout the coming year both internally and externally where we are leading on a data project collaboration with other local hospices.

STATEMENT OF THE RESPONSIBILITIES OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Statement of the Responsibilities of the Trustees

The Trustees, who are also directors of the Charity for the purposes of company law, are responsible for preparing the annual report and the consolidated 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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.

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.

This Annual Report and Consolidated Financial Statements were approved by the Board of Trustees on 7th November 2023. The Board of Trustees also specifically approved the Strategic Report on. This is signed on their behalf by:

A handwritten signature in black ink, appearing to read 'G. Withers', with a horizontal line underneath.

Gary Withers - Chairman

Agreed by the Board

Date: 7th November 2023

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted Fund 2023	Restricted Fund 2023	Total 2023	Unrestricted Fund 2022	Restricted Fund 2022	Total 2022
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies		6,344,649	-	6,344,649	4,587,451	-	4,587,451
Investments	4	123,400	-	123,400	187	-	187
Charitable Activities							
Restaurant & Coffee Shop		16,048	-	16,048	10,912	-	10,912
Core funding	2.1	1,524,948	-	1,524,948	1,028,872	-	1,028,872
Other grants	2.2	283,594	-	283,594	519,535	1,123,476	1,643,011
Retail Shop sales		4,568,940	-	4,568,940	3,586,914	-	3,586,914
Other trading activities	3	136,744	-	136,744	190,947	-	190,947
TOTAL INCOME		12,998,322	-	12,998,322	9,924,818	1,123,476	11,048,294
Expenditure on:							
Raising funds	6	3,596,475	-	3,596,475	3,520,350	-	3,520,350
Charitable Activities							
Hospice Services	7	7,857,094	-	7,857,094	6,422,120	1,123,476	7,545,596
TOTAL EXPENDITURE		11,453,570	-	11,453,570	9,942,470	1,123,476	11,065,946
Net (losses) / gains on investment assets	11	(522,587)	-	(522,587)	904,890	-	904,890
Net income and movement in Funds		1,022,166	-	1,022,166	887,238	-	887,238
Reconciliation of Funds							
Total funds brought forward		28,080,367	-	28,080,367	27,193,129	-	27,193,129
TOTAL FUNDS CARRIED FORWARD	17	29,102,533	-	29,102,533	28,080,367	-	28,080,367

The notes on pages 21 to 38 form part of these financial statement

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2023**

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	10	9,036,016	9,156,665	9,036,016	8,877,196
Investments	11	16,192,608	16,176,516	16,192,608	16,176,516
Shares in subsidiaries	12	-	-	100	100
		25,228,724	25,333,181	25,228,724	25,053,812
Current assets					
Stocks	13	7,291	6,765	-	-
Debtors	14	2,517,884	751,161	2,517,884	1,144,956
Cash at bank and in hand		3,317,369	2,697,113	3,207,377	2,582,098
		5,842,543	3,455,039	5,725,261	3,727,054
Current liabilities					
Creditors: amounts falling due					
within one year	15	(1,968,633)	(707,853)	(2,002,830)	(700,499)
Net current assets		3,873,910	2,747,186	3,722,431	3,026,555
Total assets less current liabilities		29,102,533	28,080,367	28,951,155	28,080,367
Funds					
Unrestricted funds:					
Designated funds: -					
Hospice Fixed Assets	17	9,036,016	8,877,196	9,036,016	8,877,196
Hospice Designated Funds	17	10,522,000	10,196,748	10,522,000	10,196,748
Total designated funds	17	19,558,016	19,073,944	19,558,016	19,073,944
General funds	17	9,544,517	9,006,423	9,393,139	9,006,423
Total unrestricted funds		29,102,533	28,080,367	28,951,155	28,080,367
Restricted funds	17	-	-	-	-
Total funds	17	29,102,533	28,080,367	28,951,155	28,080,367

The notes on pages 21 to 38 form part of these financial statements.

As permitted by S408 of the Companies Act 2006 the charity has not presented its own income and expenditure and related notes. Charity only income of £12,861,578 is included and a surplus result of £870,787 for the year for the charity.

Approved by the Board on 7th November 2023 and authorised for issue on 7th November 2023



Gary Withers - Chairman

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Group 2023 £	2022 £
Cash flows from operating activities			
<i>Net cash provided by operating activities</i>	20	1,370,586	500,559
Cash flows from investing activities:			
Dividends, interest and rents from investments		123,400	187
Proceeds from the sale of investments		-	1,000,000
Purchase of property, plant & equipment / investment properties		(335,053)	(768,270)
Purchase of investments		(540,303)	(20,692)
<i>Net cash used in investing activities</i>		(751,956)	211,224
Change in cash and cash equivalents in the reporting period		618,633	711,783
Cash and cash equivalents at the beginning of the reporting period		2,718,657	2,006,874
Cash and cash equivalents at the end of the reporting period		3,337,289	2,718,657

Analysis of Changes in Net Debt

Group	Start of Year	Cash Flows	End of Year
Cash	2,697,113	620,257	3,317,369
Investment cash	21,544	(1,624)	19,920
	2,718,657	618,633	3,337,289

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) 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) (effective 1 January 2019 - (Charities SORP 2nd edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Hospice in the Weald 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 notes.

The financial statements are presented in pounds sterling (GBP), being the functional currency of the group, and are rounded to the nearest thousand pounds.

b) Preparation of the accounts on a going concern basis

Hospice in the Weald had £9.5m of unrestricted and non-designated funds to draw on as at 31 March 2023 should income fall dramatically during the next 2 years. Trustees consider it appropriate to prepare the accounts on a going concern basis. There are no material uncertainties about the group's ability to continue as stated in Principal Risks and Uncertainties on page 16 of the Strategic Report.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Hospice in the Weald (Trading Limited) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by paragraph 408 of the Companies Act 2006.

d) Income

Income is recognised upon entitlement, when the receipt is probable and when the value can be reliably measured. Legacies are recognised when receipt is probable. Legacy income, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executors' intention to make distribution. 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.

e) Statutory funding

Income received under agreements with statutory bodies is included in these accounts on a receivable basis where a contract exists. Where no contract exists, the income is recognised in accordance with the wishes of the relevant statutory body when it becomes probable that the income will be received, and it can be measured with sufficient reliability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

f) Investment income

Investment income represents gross income derived from investments held under unrestricted funds and is accounted for on a receivable basis.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

h) Expenditure

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 comprise the costs of fundraising and commercial trading
- Expenditure on charitable activities is the provision of care to patients and those important to them

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include ICT, finance, facilities and governance costs and are allocated on a departmental basis.

j) Operating leases

The charity classifies the lease of retail premises as operating leases; the title to the freehold or equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where their individual item cost exceeds £5,000 and then depreciated over their economic useful lives, less residual values, as follows:

- Hospice buildings – over the expected useful life of 35 years (building refurbishments are not depreciated in the year they are undertaken, but start in the following period)
- Shops (Freehold) - over the expected useful life of 50 years
- Equipment – 25% on a straight-line basis
- Software – 25% on a straight-line basis
- Motor vehicles – 25% on a reducing balance basis
- Leasehold Shop refits – Equally over the life of the lease

The Hospice regularly reviews the projected useful life of all fixed assets to determine that the cost is fairly amortised over the expected life of the asset. The Hospice building, which includes a significant element of specialist facilities, has been reviewed with the benefit of professional advice. It is concluded that consistent with similar facilities and with the benefit of regular maintenance the existing building should have a life expectancy of 35 years from April 1999 before needing to be replaced. Similarly the Cottage Hospice has a life expectancy of 35 years from December 2019 before needing to be replaced.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

l) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in a subsidiary company is held at cost less accumulated impairment losses.

m) Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

n) Financial instruments

Financial instruments are recognised in the Balance Sheet when Hospice in the Weald becomes party to the contractual provisions of the instrument. The group has elected to apply the provisions of section 11 "Basic Financial Instruments" of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends upon the nature and purpose of the instruments and is determined at the time of recognition. Hospice in the Weald's financial instruments are categorised as basic financial instruments.

o) Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

p) Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

q) Stock

Stocks of donated goods are not brought into these financial statements under SORP FRS 102, paragraph 6.29. Stocks accounted for are goods for resale, which are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

r) Debtors

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

s) 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 eleven months or less from the date of acquisition or opening of the deposit or similar account.

t) 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.

u) Pensions

The group contributes to the NHS Superannuation scheme for nursing and medical staff, which is a defined benefit scheme treated as a defined contribution scheme, and to a defined contribution scheme in respect of its other employees. Contributions are charged in the accounts as incurred or as a liability when recognised in accordance with employment legislation.

v) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

w) Estimates and area of judgements / uncertainty

In the application of the Group's accounting policies, which are described above, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Financial Performance of the charity - Incoming Resources

2.1 Core funding from statutory bodies

	2023	2022
	£	£
West Kent CCG	-	928,260
Kent & Medway ICB	1,422,625	-
East Sussex Downs & Weald CCG	102,323	100,612
	<u>1,524,948</u>	<u>1,028,872</u>

**NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

2.2 Other grants

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
NHSE COVID	-	-	-	-	1,123,476	1,123,476
WKCCG Pharmacy	141,527	-	141,527	110,549	-	110,549
WKCCG Continuing Care & Fees	124,498	-	124,498	138,543	-	138,543
Workforce Development Fund	1,500	-	1,500	13,798	-	13,798
Kent County Council Social Services	12,270	-	12,270	28,540	-	28,540
Kent, Surrey & Sussex Deanery	3,799	-	3,799	87,214	-	87,214
Coronavirus Job Retention Scheme Grant (Furlough)	-	-	-	5,910	-	5,910
Research Grants	-	-	-	24,718	-	24,718
Shop local council COVID grants	-	-	-	110,263	-	110,263
	283,594	-	283,594	519,535	1,123,476	1,643,011

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Commercial trading operations

	2023	2022
	£	£
Income	575,196	504,044
Cost of sales	(48,353)	(44,928)
Administrative expenses	(375,465)	(458,924)
Total expenditure	(423,818)	(503,852)
Net Profit for the year	151,378	192

All taxable profits of the trading subsidiary will be gifted up to the Charity

Commercial trading operations cont.

Included in income is £438,452 (2022: £313,097) of transactions between the two companies that have been removed upon consolidation being the procurement charge in regard to sales made under the gift aid scheme.

4. Investment income and interest

	2023	2022
	£	£
Bank interest	7,146	187
Investment Income - rebate	116,254	-
Dividends	-	-
	<u>123,400</u>	<u>187</u>

5. Total net incoming resources are stated after charging:

	2023	2022
	£	£
Amounts payable to the auditors in respect of: Statutory audit	25,850	21,500
Amounts payable to the auditors in respect of other services (corporation tax compliance)	3,200	2,900
Depreciation	455,702	464,464
Operating lease rentals	462,577	421,077

6. Raising Funds Expenditure

	2023	2022
	£	£
Fundraising costs	835,769	885,157
Retail Shops	2,684,133	2,555,869
Investment Management Fees	76,573	79,324
	<u>3,596,475</u>	<u>3,520,350</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Hospice Services

Direct costs	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Hospice in the Home	1,736,924	-	1,736,924	2,057,862	-	2,057,862
Cottage Hospice	1,069,291	-	1,069,291	854,833	-	854,833
Counselling	348,019	-	348,019	316,429	-	316,429
Hospice Day Services/Living Well	305,821	-	305,821	273,811	-	273,811
In-Patient Ward	2,303,517	-	2,303,517	1,322,575	1,123,476	2,446,051
Children's Service	200,233	-	200,233	35,093	-	35,093
Catering & housekeeping	446,021	-	446,021	425,578	-	425,578
Communications	60,931	-	60,931	50,278	-	50,278
Depreciation	462,054	-	462,054	458,029	-	458,029
	<u>6,932,810</u>	<u>-</u>	<u>6,932,810</u>	<u>5,794,488</u>	<u>1,123,476</u>	<u>6,917,964</u>
Support Costs						
Indirect costs of providing Hospice Services	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Office costs	472,079	-	472,079	233,059	-	233,059
Information technology	106,407	-	106,407	108,480	-	108,480
Accommodation	310,197	-	310,197	236,776	-	236,776
Accountancy and audit	30,500	-	30,500	25,850	-	25,850
Legal Costs	5,101	-	5,101	23,467	-	23,467
	<u>924,284</u>	<u>-</u>	<u>924,284</u>	<u>627,632</u>	<u>-</u>	<u>627,632</u>
Total Hospice Services costs	<u>7,857,094</u>	<u>-</u>	<u>7,857,094</u>	<u>6,422,120</u>	<u>1,123,476</u>	<u>7,545,596</u>

No Member of the Board received any remuneration, fees or reimbursement of expenses from the group during the year under review or the previous year.

No Member of the Board was associated with any contract of purchase or supply to the Hospice during the year under review or the previous year except as set out in note 22.

**NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 MARCH
2023**

8. Staff costs

	2023	2022
	£	£
Wages and salaries	6,212,324	6,169,719
Social security costs	565,271	531,624
Other pension costs – unrestricted	517,901	514,066
	<u>7,295,496</u>	<u>7,215,409</u>

The average number of persons working for the group (excluding Trustees and volunteers) during the year was as follows:

	2023	2022
Medical & Nursing	123	134
Counselling and Support Services	10	9
Fundraising (including Lottery)	11	16
Facilities, Catering and Housekeeping	18	22
Shops	47	45
Commercial Trading	0	3
Finance and IT	11	7
Management and Administration	12	7
	<u>233</u>	<u>243</u>

Bank (zero contract hours) and agency staff have not been included in the staff numbers

The number of employees whose emoluments exceeded £60,000 was:

£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£100,001 – £110,000	-	1
£110,001 – £120,000	1	1
£130,001 - £140,000	-	1
	<u>-</u>	<u>1</u>

In respect of higher paid employees benefits were paid into a defined contribution scheme for 5 (2022:1) employees and into a defined benefit scheme for 2 (2022:1) employees. Total contributions to a defined contribution scheme in respect of these employees were £19,710 (2022: £11,733).

Key management personnel remuneration costs for the year amounted to £403,571 (2022: £466,314).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9. Pension costs

The group contributes to the NHS Superannuation scheme for nursing and medical staff and to a defined contribution scheme for other staff. The NHS Superannuation Scheme is an approved multi-employer scheme and, as such, the charity is not able to identify its share of assets or the potential liability it may have to the scheme at the balance sheet date. Contributions payable in the accounting period are charged to the statement of financial activities as they fall due. The pension costs, classified under staff costs, represent contributions payable by the group to the schemes and amount to £517,901 (2022: £514,066).

10. Tangible fixed assets

Group	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2022	13,017,081	232,134	51,050	261,250	13,561,515
Additions	7,796	-	-	327,857	335,053
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2023	<u>13,024,877</u>	<u>232,134</u>	<u>51,050</u>	<u>589,107</u>	<u>13,897,168</u>
Depreciation					
At 1 April 2022	4,041,473	117,815	38,362	207,800	4,405,450
Charge for year	400,897	27,907	3,602	23,296	455,702
Depreciation on disposal	-	-	-	-	-
At 31 March 2023	<u>4,442,370</u>	<u>145,722</u>	<u>41,964</u>	<u>231,096</u>	<u>4,861,152</u>
Net book value					
At 31 March 2023	<u>8,582,507</u>	<u>86,412</u>	<u>9,086</u>	<u>358,011</u>	<u>9,036,016</u>
At 31 March 2022	<u>8,976,208</u>	<u>114,319</u>	<u>12,688</u>	<u>53,450</u>	<u>9,156,665</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Tangible fixed assets cont.

Charity	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2022	12,731,860	232,134	51,050	252,331	13,267,375
Additions	293,017	-	-	327,857	620,874
Disposals	-	-	-	-	-
At 31 March 2023	<u>13,024,877</u>	<u>232,134</u>	<u>51,050</u>	<u>580,188</u>	<u>13,888,249</u>
Depreciation					
At 1 April 2022	4,035,120	117,815	38,362	198,881	4,390,179
Charge for year	407,250	27,907	3,602	23,296	462,055
Depreciation on disposal	-	-	-	-	-
At 31 March 2023	<u>4,442,370</u>	<u>145,722</u>	<u>41,964</u>	<u>222,177</u>	<u>4,852,234</u>
Net book value					
At 31 March 2023	<u>8,582,507</u>	<u>86,412</u>	<u>9,086</u>	<u>358,010</u>	<u>9,036,016</u>
At 31 March 2022	<u>8,696,739</u>	<u>114,319</u>	<u>12,688</u>	<u>53,450</u>	<u>8,877,196</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Fixed Assets Investments Portfolio

Group and Charity	2023	2022
	£	£
Quoted and listed investments	15,693,608	16,176,516
Fixed Interest Cash Investments	499,000	-
Total Investments	<u>16,192,608</u>	<u>16,176,516</u>
Quoted and listed investments comprise:		
UK managed funds	15,693,608	16,176,516
Movements on quoted and listed investments:		
Market Value at beginning of the year	16,176,516	16,350,950
Additions at cost	41,303	20,692
Disposals at carrying value	-	(1,000,000)
Net gain on revaluation	(522,587)	783,330
Movement on cash balance	(1,624)	21544
Market value at the end of the year	<u>15,693,608</u>	<u>16,176,516</u>
Cost of Quoted and Listed Investments	12,956,285	12,476,602
Cost of Fixed Term Cash Investments	499,000	-
Total Cost as at 31st March 2023	<u>13,455,285</u>	<u>12,476,602</u>

Investments which comprise more than 5% of the total market value of investments at the 31 March 2023 were:

Sarasin Alpha CIF for endowments (accumulated units)	15,693,608
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Shares in subsidiary undertakings

	2023	2022
	£	£
Cost of shares in subsidiary undertakings	<u>100</u>	<u>100</u>

	% of Ordinary Shares held	Country of incorporation
Hospice in the Weald (Trading) Limited	100%	England and Wales

Hospice in the Weald (Trading) Limited, company no 1886504, has assets of £151,478 and liabilities of £nil.

13. Stocks

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Goods for resale	<u>7,291</u>	<u>6,765</u>	<u>-</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Other debtors	124,432	123,440	124,432	123,440
Trade debtors	1,313,581	30,978	1,313,581	30,978
HITW (Trading) Ltd	-	-	-	393,795
Accrued income	801,111	370,380	801,111	370,380
Prepayments and deferred costs	278,760	226,363	278,760	226,363
	2,517,884	751,161	2,517,884	1,144,956

15. Creditors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts due within one year				
Trade creditors	341,705	438,442	341,705	438,442
HITW (Trading) Ltd	-	-	34,197	-
Other Creditors	11,500	17,003	11,500	9,648
Other taxation and social security creditor	128,428	137,533	128,428	137,533
Pension accrual	39,233	11,085	39,233	11,085
Accruals	112,268	47,349	112,268	47,349
Deferred income	1,335,499	56,441	1,335,499	56,441
	1,968,633	707,853	2,002,830	700,499

	2023	2022
	£	£
Deferred Income		
Brought forward	56,441	64,540
Deferred income	1,335,499	56,441
Released	(56,441)	(64,540)
Carried forward	1,335,499	56,441

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place and Grant income for 2023/24 invoiced prior to the year end for the year 2023/24.

The advance from Hospice in the Weald (Trading) Limited represents the net of the donor procurement charge to the Charity and the retail costs charge to the Trading company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Financial Instruments

Financial Instruments - Group	2023	2022
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	16,192,608	16,176,516
Financial Instruments - Charity		
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	16,192,608	16,176,516

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Movement in funds

Group	Balance at 01-Apr 2022 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2023 £
Unrestricted funds					
General fund	9,006,423	12,663,269	(9,490,089)	(2,635,086)	9,544,517
Designated funds					
Hospice Fixed Assets	8,877,196	335,053	(462,054)	285,821	9,036,016
Future Development Needs	8,196,748	-	(1,080,696)	1,083,948	8,200,000
Building Maintenance Fund	1,000,000	-	(276,190)	706,190	1,430,000
Children's Services Fund	500,000	-	(89,770)	(18,230)	392,000
IT Development Fund	500,000	-	(54,770)	54,770	500,000
Total designated funds	19,073,944	335,053	(1,963,480)	2,112,499	19,558,016
Restricted funds	-	-	-	-	-
	28,080,367	12,998,322	(11,453,570)	(522,587)	29,102,533

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Movement in funds cont.

Charity	Balance at 01-Apr 2022 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2023 £
Unrestricted funds					
General fund	9,006,423	12,240,704	(9,504,724)	(2,349,265)	9,393,139
Designated funds					
Hospice Fixed Assets	8,877,196	620,874	(462,054)	-	9,036,016
Future Development Needs	8,196,748	-	(1,080,696)	1,083,948	8,200,000
Building Maintenance Fund	1,000,000	-	(276,190)	706,190	1,430,000
Children's Services Fund	500,000	-	(89,770)	(18,230)	392,000
IT Development Fund	500,000	-	(54,770)	54,770	500,000
Total designated funds	19,073,944	620,874	(1,963,480)	1,826,678	19,558,016
Restricted funds	-	-	-	-	-
	28,080,367	12,861,578	(11,468,204)	(522,587)	28,951,154

Designated Funds: The Trustees have designated funds to provide for future development and maintenance of the Hospice buildings; Children's Services development in late 2023; ICT Development Fund to improve IT infrastructure and business systems, including stable Wi-Fi and improved telephony

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Analysis of group net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Group 2023				
Fixed assets	-	9,036,016	-	9,036,016
Investments	5,670,608	10,522,000	-	16,192,608
Current assets	5,842,543	-	-	5,842,543
Current liabilities	(1,968,633)	-	-	(1,968,633)
	9,544,517	19,558,016	-	29,102,533
Charity 2023				
Tangible fixed assets	-	9,036,016	-	9,036,016
Investments	5,670,608	10,522,000	-	16,192,608
Shares in subsidiary company	100	-	-	100
Current assets	5,725,260	-	-	5,725,261
Current liabilities	(2,002,830)	-	-	(2,002,830)
	9,393,139	19,558,016	-	28,951,154
Group 2022				
Fixed assets & investment properties	279,469	8,877,196	-	9,156,665
Investments	5,979,768	10,196,748	-	16,176,516
Current assets	3,455,039	-	-	3,455,039
Current liabilities	(707,853)	-	-	(707,853)
	9,006,423	19,073,944	-	28,080,367
Charity 2022				
Tangible fixed assets	-	8,877,196	-	8,877,196
Investments	5,979,768	10,196,748	-	16,176,516
Shares in subsidiary company	100	-	-	100
Current assets	3,727,054	-	-	3,727,054
Current liabilities	(700,499)	-	-	(700,499)
	9,006,423	19,073,944	-	28,080,367

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Operating leases – All Property

	2023	2022
	£	£
At 31 March 2023 the group and charity were committed to:		
Leases which expire - within one year	597,541	580,974
- within 2 to 5 years	1,590,227	1,365,413
- after 5 years	407,419	513,430
	<u>2,595,187</u>	<u>2,459,817</u>

20. Reconciliation of net income to net cash flow

	Group	
	2023	2022
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	1,022,166	887,238
Adjustments for:		
Depreciation charges	455,702	464,464
(Gains) / losses on investments	522,587	(783,330)
Dividends, interest and rents from investments	(123,400)	(187)
(Profit) / loss on the sale/disposal of fixed assets	-	9,036
Decrease / (Increase) in stocks	(526)	6,989
Decrease / (increase) in debtors	(1,766,723)	(193,992)
Increase / (Decrease) in creditors	1,260,780	110,341
	<u>1,370,586</u>	<u>500,559</u>

21. Members' liability

Hospice in the Weald is a company limited by guarantee, with no share capital. Every member undertakes to meet the liabilities of the company in the event of its being wound up. The potential liability of each member does not exceed £1. Total guarantees at 31 March 2023 were £25 (2022:£25).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22. Related party transactions

A net total of £59,256 (2022: £38,917) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited have been removed upon consolidation. £2,400 (2022: £2,400) is for shared office facilities at the Hospice building £438,452 (2022: £313,097) is the procurement charge in regard to sales made under the gift aid scheme referred to in note 3 and an administration charge of £381,596 (2022: £276,581) from the Charity to the Trading Company. Included within creditors in the Charity balance Sheet is an amount of £34,197 (2022: debtor £396,223) owed to Hospice in the Weald (Trading) Limited, a wholly owned subsidiary of Hospice in the Weald. This balance was eliminated on consolidation.

Related party transactions are carried out on an arm's length basis

23. Capital Commitments

At 31 March 2023 the group had no capital commitments (2022: £nil).

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Opinion

We have audited the financial statements of Hospice in the Weald (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise of the consolidated statement of financial activities, group balance sheet, charity balance sheet, consolidated cash flow statement and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

Other information

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

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.

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

Matters on which we are required to report by exception

In the light of 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 where the Companies Act 2006 require 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, 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 the 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 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 as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, through significant fines, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

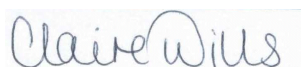
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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.

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.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads "Claire Wills". The signature is written in a cursive style and is enclosed in a light blue rectangular box.

Claire Wills (Senior Statutory Auditor)

for and on behalf of Saffery LLP

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street

London

EC4V 4BE

Date: 9 November 2023

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

HOSPICE IN THE WEALD

England & Wales - Charity number 280276

Accounts



HOSPICE IN THE WEALD

**ANNUAL REPORT
(and consolidated financial statements)**

YEAR ENDED 31 MARCH 2022

Charity No. 280276
Company Registration No 01499846 (England and Wales)

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Introduction from our Chairman

I am pleased to present this year's annual report which sets out our performance over the last financial year, and our plans for the near future. During this period the Hospice has taken its first steps towards recovery from the impact of the COVID pandemic. In most instances the UK has already returned to normal now that the majority of the population is vaccinated against COVID. The reality is that for any organisation working with clinically vulnerable people, such as Hospices, the threat of COVID transmission remains more prevalent. We have now resumed our normal activities, although additional safety measures against COVID transmission remain in place.

This reporting period saw the resignation of former CEO, Rob Woolley, and the appointment of Nick Farthing as Chief Executive. I would like to thank Rob for his work for the organisation over the last decade, and to wish him well in his retirement. I am very pleased to have confirmed Nick in post after a thorough recruitment process. Nick's longstanding knowledge of the organisation, and backgrounds in both healthcare and retail, leave us in good stead to move forwards.

I am also pleased to welcome Jan Thirkettle as our new Clinical Director. Jan brings a wealth of Hospice experience from previous roles at St Christopher's Hospice. Her clinical leadership will help modernise some of the ways in which we support and care for patients.

Over the last year, the focus of the leadership team has been on a return to 'normal', a gradual winding back of our precautionary measures against COVID and a re-starting of some activities including our fundraising events and re-opening of the Living Well service for adult patients. In addition to resuming all activities for adult patients, we have also made progress towards the launch of our new service providing Hospice care for children. This will help us reach even more unmet need in the local area, and service delivery is set to commence later in 2022.

Our retail operations have performed very well during the last year, in part thanks to the large increase in donation volumes throughout the pandemic, along with taking on a notable new shop in Sevenoaks, the largest high street retail space we have had.

As ever, the commitment and hard work of our staff and volunteers is tantamount to the success of the Hospice. We have continued to run a wellbeing working group to provide ideas and opportunities to better support staff and volunteers as they continue to work with COVID precautionary measures.

As we look now to the future, which contains opportunities for a fresh outlook from a new Executive team, the focus on providing outstanding care to all who need it remains. This is not possible without income and support from those who visit our shops, make donations or take part in other fundraising activity, or those who give their time and skills through volunteering. My sincere thanks to all those who support the Hospice and made Hospice care possible for the local community.



Gary Withers
Chairman

CHARITY INFORMATION

Charity registration number	280276	
Company number	01499846	
Trustees	Dr N Benson Ms S Cockaday Ms J Ford Ms C Freshwater Dr S Grieve Ms S Pinkney Mr T Rolfe Mr E Wesson Mr G Withers Dr C Wykes Mr A Bogle Dr J Halbert	(Resigned 7 December 2021) (Appointed 26 April 2022) (Appointed 26 April 2022)
Hospice Leadership Team	Mr R Woolley Mr N Farthing Mr P Madden Mrs J Lavender Dr C Wilkins Mrs J Thirkettle Ms V Edwards	Chief Executive (Resigned 31 July 2021) Chief Executive (Appointed 25 January 2022) Care Director Finance Director Interim Medical Director (19th April 2021 – 6th February 2022) Clinical Director (Appointed 10 February 2022) Development and Communications Director (Appointed 24 May 2021)
Patrons	Mr Greg Clark MP Mr George Cohen MBE Mr Chris Cowdrey Mr Rob Eades Mr Tim Edmunds Ms Nusrat Ghani MP Ms Helen Grant MP Mr Charles Hendry Mrs Marit Rausing Mr Tom Tugendhat MP	
President	Mr Simon Lee	
Vice Presidents (Members)	Mr Peter Bennellick Mrs Sonia Burt Mr Martin Dace Mr Brian Dudley Sir Jeremy Elwes Mr Peter Lewis Prof. John Salter	

CHARITY INFORMATION

Vice Presidents (Non-members)	Mr David Payne Mr Richard Snow
Registered address	Maidstone Road Pembury Kent TN2 4TA
Independent auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Lloyds Bank Plc 82 Mount Pleasant Road Tunbridge Wells Kent TN1 1RP
Investment Fund Management	Sarasin & Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (“the Charities SORP”) and Financial Reporting Standard (FRS) 102 in preparing the annual report and financial statements of the Charity. The Charity is a charitable company limited by guarantee and was established on 27 June 1980. The Charity is governed by its Memorandum and Articles of Association whose objects are entirely charitable.

Charitable Objects

The objects for which the Charity is established are:

To promote the relief of sickness in such charitable ways as the Charity shall from time to time think fit, and in particular (but without prejudice to the generality of such object):

- to promote the care without limitation of sex, race or age, of persons suffering from terminal illness or intractable pain whether in hospitals, nursing homes, clinics or their own homes and to provide medical nursing and other treatment and attention according to their needs, together with guidance and assistance for those caring for them;
- to conduct, promote and encourage research into the care and treatment of sufferers from terminal illness or intractable pain and to make publicly available the results of such research and to promote, encourage and assist in the teaching and training of doctors, nurses, physiotherapists, psychologists and other persons engaged in the care of such sufferers.

Hospice in the Weald serves a population of over 400,000 people covering an area of over 400 square miles of West Kent and East Sussex. It delivers a multi-professional service to improve the quality of life for patients with a terminal illness and those important to the patient.

Organisational Structure, Governance and Management

The Charity is established for the purposes expressed in the Articles of Association. The Trustees are expected to serve an initial term of three years and can then be re-elected to serve a further term to not normally exceed six years in total. The Board considers any Trustee vacancies to ensure that there remains on the Board a balance of skills, diversity and experience. Prospective Trustees are interviewed by the Chairman and at least two other Trustees and meet with the Chief Executive. New Trustees receive induction arranged by the Chief Executive and, in advance, receive key documents to allow them to understand the organisation.

Trustees do not receive any remuneration but are entitled to be reimbursed for any expenses incurred in attending Board meetings. No expenses were claimed during the year (2021 - £nil).

The appointment, resignation or retirement of Trustees is announced at the Charity’s Annual General Meeting (AGM).

Trustees have ultimate responsibility for the Charity. They meet at least four times a year to review the strategy and performance of the Charity and to set objectives, operating plans and budgets and approve the annual accounts.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Committees

Separate committees have been established to provide specific support and guidance to the Chief Executive and the Hospice Leadership Team (HLT). Each committee is chaired by a Trustee and determines the frequency and content of its meetings depending on the needs of the organisation. The terms of reference for each committee are reviewed by the Board once a year and the Chairman is ex-officio on all committees. The Chair of each committee gives a report to the full body of Trustees at Board meetings.

Committee Membership: -

Finance and Commercial Committee: Ms C Freshwater (Chair), Ms J Ford, Ms S Pinkney, Ms S Cockaday, Dr S Grieve, Mr T Rolfe, Mr E Wesson, Mr R Woolley (resigned 31 July 2021), Mrs J Lavender, Mr N Farthing, Mr G Withers (ex-officio).

Clinical Governance Committee: Dr C Wykes (Resigned 7 December 2021), Dr N Benson (Chair), Ms J Ford, Ms C Freshwater, Dr S Grieve, Ms S Pinkney, Ms S Cockaday, Dr C Wilkins (19th April 2021 – 6th February 2022), Mrs J Thirkettle (appointed 10 February 2022), Mr P Madden, Mr N Farthing, Mr R Woolley (resigned 31 July 2021), Mr G Withers (ex-officio).

Children's Services Committee (commenced January 2022): Ms J Ford (Chair), Dr N Benson, Mr T Rolfe, Mr E Wesson, Dr C Wykes (resigned 7 December 2021), Mr N Farthing, Mr R Woolley (resigned 31 July 2022), Ms V Edwards, Mr G Withers (ex-officio).

The Trustees delegate authority for the day to day management of the Charity and its subsidiary company to its appointed Chief Executive, supported by the Hospice Leadership Team with specialist and individual responsibility for all functional activities. The subsidiary (trading) company has a Board of Directors and operates at arm's length from the charity.

Trustee Training

The Trustees are interested in their own training and development as individuals and collectively as a Board. They are aware of organisations that help Trustees and will take part in training as required. Trustees know from the Charity Commission guidance in CC3a that Trustee E-learning is available on-line. The Trustees also join together with the Hospice Leadership team once a year in a "Development Day" which is focused on joint learning.

Public Benefit

The presumption of public benefit was removed by the Charities Act 2011. Charities are therefore required to demonstrate public benefit. The objects of Hospice in the Weald are set out on page 6. Accordingly the charitable purposes of Hospice in the Weald fall within the criteria of Section 2 of the Charities Act 2011 and thereby the organisation, which has been established exclusively for charitable purposes, is for public benefit. In planning the activities for the year, the Trustees have given careful regard to the Charity Commission's guidance on public benefit and considered its implications for the Charity.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Related Party Disclosures

We need to make disclosures in respect of 'related party disclosures' as FRS 102 requires disclosure of group transactions such as those in note 22. It is also prudent in this annual report to make clear that some of the income derived through our charity shops is undertaken by a trading company. We have three of the Charity Trustees, including the Chairman, act as the Directors of the trading company. The CEO and Head of Retail work alongside them and also act as Directors of the trading company. Hospice in the Weald (Trading) Ltd charged Hospice in the Weald £313,097 for donor procurement in the year to 31 March 2022 (2021 - £181,889).

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Charitable Activities

Our main focus continues to be to increase the number of Hospice palliative care referrals and we received 1,707 new referrals by the end of the financial year, an increase of 2% on the previous year.

Key Performance Indicators (KPIs) - Dashboard

The Hospice has a number of KPIs. These include clinical referrals, occupancy, patients preferred place of death, Cottage Hospice Service objectives as well as financial indicators and staff turnover. These KPI's contain both quantitative and qualitative KPIs which are reported on a regular basis through each of the Board committees.

Strategic Objectives

During the reporting period all of Hospice in the Weald's objectives, as set out the Business Plan, were linked to one or more of the following six Strategic Aims.

1. Develop and deliver our services so that each year we reach more people who are in the last year of their life, and those important to them.
2. Provide a fully integrated 24/7 Hospice Palliative Care service that is available equally across the communities we serve.
3. Be a leader in Hospice Palliative Care and End of Life Care, collaborating with other relevant organisations for this purpose, where appropriate.
4. Improve our infrastructure to build organisational resilience and develop our whole workforce to deliver high quality service.
5. Build our financial strength so that everyone in the community we serve can be confident that Hospice in the Weald will always be available to care for them and their loved ones at end of life.
6. Raise awareness of the importance of good Hospice Palliative Care, so that people living in the communities we serve have the best opportunities to celebrate their lives and die with dignity.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Charitable Activities

Hospice in the Weald continues to strive to be as supportive and accessible as ever, even with the limitations that the COVID pandemic continues to bring. The Hospice received 1707 referrals to the Hospice outreach service and the Ward, while continuing home visits through Hospice Outreach Service. We have also begun developing new initiatives to extend our reach, such as the Children's Service, and reinstated our Living well service to ensure we are providing a wide scope of care for those who need it. We also see value in adapting the Hospice Outreach Service to remain active over extended core hours, which has now become a key objective of the redesign work in this department. These changes, along with an increase in information on our free to use 'Help Hub' makes support reachable, day and night.

Hospice in the Weald has also made steps to improve its own infrastructure, to further support the workforce. A particular focus this year was around ICT support and a survey was completed assessing the strengths and areas of development in our current set up. This was sent to all areas of the organisation, to ensure everyone is benefiting from appropriate technology to perform to their best. As well as ICT, upscaling all areas of the Hospice's infrastructure is a continued area of focus, as it will not only improve workforce resilience and morale, but also give the best opportunity for high financial performance from the team. We have already seen a strong retail performance with shops returning to business as usual, with additional growth. This, coupled with the return of Fundraising activity, means we are moving towards income generation getting back on track.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Our People

Hospice in the Weald, in common with all other hospices, spends its revenue principally on the provision of care. Salary costs are, and always will be, our main expenditure. The highly skilled Consultants, Doctors, Nurses and other clinical staff are where we focus our expenditure. We have in this year, like other years, ensured that at least 90 pence of each £1 that is raised goes toward the care of our patients and those important to them.

Our volunteers are vital to all that we do. We recruit them, train them and are responsible for them. At 31 March 2022 we had 983 volunteers working across all the Services and Departments in the Hospice and in all of our shops.

Income Generation

Fundraising

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £11 million showed an increase of £153,570 over the previous year. Statutory funding from the Clinical Commissioning Groups (CCGs) increased by £110,000 to £1,028,872. This NHS statutory funding from West Kent CCG has been included in core funding.

Voluntary income by way of donations and legacies (Gift in Will) totalled £4,587,451 compared to £4,541,629 in the previous year.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit before tax of £192, a £8,557 decrease on previous year, and we:train made a £122,399 loss for the year.

Retail

The contribution from our retail shops during the year amounted to £1,582,446. This figure includes the £192 trading profit in Hospice in the Weald (Trading) Limited plus the donations raised in relation to goods sold on behalf of donors and associated Gift Aid claims. Gift Aid is claimed by the Charity in respect of donations received from donors who agree to donate funds raised from the sale of their goods. The charity appoints Hospice in the Weald (Trading) Limited to act as agent for the sale of donated goods in the retail shops in accordance with HMRC's approved methodology. Hospice in the Weald (Trading) Limited charges donors a commission for selling their goods as their agent and makes a charge to the Charity for the service it provides in procuring donations for the Charity.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Income generation compliance report

Hospice in the Weald employs a core fundraising staff to develop, promote and run a range of fundraising campaigns, assisted by vital volunteers and taken up by our supporters. We steward our donors and promote our fundraising campaigns to them, and the wider community which we serve, through direct mail, e-mail contact, telephone and digitally.

We constantly monitor the cost and time which goes into each fundraising activity against the financial return to ensure we are making the most of every donation received.

We are registered with the Fundraising Regulator and work in accordance with the Code of Fundraising Practice, and the best practice laid out by the Hospice Lotteries Association, Institute of Fundraising and Charity Retail Association. Our lottery and raffles are promoted in accordance with the Gambling Commission guidelines and we have checks in place to monitor third parties who carry out work for us, or who we enter into contracts with.

We received no complaints through the Fundraising Regulator during the year. We review the frequency and appropriateness of our communications and provide an option for supporters to 'opt-out' of our communications. We contact based on legitimate interest, and operate a Supporter promise which is clearly communicated on our website.

We continue to listen to our supporters and to learn from them to shape our fundraising activity. Our supporters are very important to us and we put them at the heart of everything we do.

Financial Review

The overall result for the year after unrealised gains, and including restricted funds, amounted to a surplus of £887,238 (2021 £3,444,826).

Operating Expenditure

We are reporting a slight increase in our total operating expenditure from £7,447,107 to £7,545,596 a 1.3% increase year on year.

Financial Management

Core funding from the NHS stayed static in real terms, as has the Department of Health's contribution to the costs of the NHS Pension Scheme. Again, pension cost increases have been funded out of voluntary income. We continue to make the case for an increased contribution from the NHS.

As a direct result of the COVID pandemic the Hospice received one off grants. The NHSE awarded funding of £1.1 million to allow the hospice to make available bed capacity and community support from December 2021 to March 2022.

Investments

An unrealised gain on investments of £904,890 is included in the overall result for the year of £887,238. In the year to 31 March 2022, the investment portfolio managed by Sarasin & Partners produced a return of +5.2% (after all fees and costs) which compared to the index based benchmark return of +9.1%, the Asset Risk Consultant (ARC) Charity Peer Group return of +6.3% and the long term CPI+4% target of +10.4%.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. The Board defines free reserves as readily realisable assets, mainly liquid investments and bank balances, less liabilities and accrued expenses. The Trustees consider that it is prudent and desirable and consistent with the Charity Commission guidelines to hold a level of free reserves and that this should be equivalent to at least one year's budgeted forward expenditure, considering likely scenarios in respect of current income streams. The Charity's forward expenditure for 2022-23 has been budgeted at £9.5 million. The Charity's free reserves at 31 March 2022 were £18 million. In addition, the Trustees have approved a £855k deficit budget for 2022-23 which reflected the ongoing challenges arising from the Covid-19 pandemic. Steps are being taken in year to mitigate this deficit.

Trustees have designated the following funds:

- £8.2 million for future development needs
- £500k for the Children's Service fund
- £1 million for the building maintenance fund
- £500k for the development of our ICT infrastructure

The Charity has no restricted funds at 31 March 2022 and after these designations the Charity's General Funds amount to £9 million.

Funds

- a) Restricted – these funds represent the balance of specific donations received after expenditures have been made in accordance with the donors' wishes and are therefore not freely available.
- b) Designated – these are funds which the Board has earmarked for specific capital commitments and new initiatives. The majority of designated funds relate to Hospice buildings necessary to create the infrastructure to enable the Hospice to further its general objectives.
- c) General – these funds represent the balance of reserves which are available to meet existing liabilities and contracted obligations and future operating costs.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate against such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Hospice Leadership Team and Trustees have identified the following key areas of risk and have taken appropriate action, as far as it is possible and practical, to protect the organisation from any potential adverse exposures that could arise from:

1. Changes in external environment which result in there being a reduction in non-statutory funding and where we are not able to maintain historic levels of voluntary/community fundraising.
2. Changes in the external environment which result in there being a lack of statutory (State/NHS) funding and where Clinical Commissioning Groups (CCGs) do not commission/fund at historic levels of NHS funding.
3. Direct competition from other organisations who want to provide services we have traditionally provided, undermining our position in the community.
4. Damage to our reputation from a clinical error which adversely affects our standing.
5. Damage to our reputation from a non-clinical incident or error which adversely affects the organisation and its standing.

The above 5 risks are the current high-level risks and are identified through various systems and processes and are included in the Board Assurance Framework (BAF). These risks and all other risks that are identified for the organisation are managed in accordance with a comprehensive risk strategy that determines the scoring system for both the likelihood of a risk and the consequences, if that risk were to come to fruition. This gives both the management and the Trustees the view of a raw scoring system which is then subjected to a number of management actions to mitigate the likelihood of the risk occurring. These mitigating management actions are kept under constant review.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Future Developments

There are a number of areas of development which will help the Hospice reach more people and improve access to its care. The first is the launch of the new service for children, which will commence in late 2022. There has been a significant period of engagement from other stakeholders, which has influenced the service design. The first members of staff have been recruited and will start by providing care for children in their own homes.

For adult patients, the Hospice Outreach Service will undergo changes to the ways of working with the aim of empowering patients to ask for the help they need when they need it, and to enable the Hospice to make best use of staff and volunteer resources. This will enable us to ensure we have the right person caring for each patient at the right time, in the right setting.

We will conduct a review of our communications to patients, employing user experience principles to ensure we are meeting the needs of patients and their loved ones in the most flexible and appropriate ways. We will also look at implementing a tool to help patients remotely monitor their symptoms, giving them more ways to help manage their wellbeing and better information to communicate with us about their needs.

Our calendar of fundraising events was paused due to the COVID pandemic, and so restarting those events and increasing income generation activity in general is also an area of focus for the year ahead.

We will overhaul our approach to data and insights across the organisation, taking a new approach to data as an asset, using and improving the quality of our data to enable us to make decisions based on insights wherever possible.

STATEMENT OF THE RESPONSIBILITIES OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Statement of the Responsibilities of the Trustees

The Trustees, who are also directors of the Charity for the purposes of company law, are responsible for preparing the annual report and the consolidated 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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.

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.

This Annual Report and Consolidated Financial Statements were approved by the Board of Trustees on 1 November 2022. The Board of Trustees also specifically approved the Strategic Report on 1 November 2022. This is signed on their behalf by:



Gary Withers - Chairman

Agreed by the Board

Date: 1 November 2022



Nick Farthing - CEO



Gary Withers - Chairman

Signed on behalf of the Board

Date: 30 November 2022



Nick Farthing - CEO

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted Fund 2022	Restricted Fund 2022	Total 2022	Unrestricted Fund 2021	Restricted Fund 2021	Total 2021
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies		4,587,451	-	4,587,451	4,541,629	-	4,541,629
Investments	4	187	-	187	1,024	-	1,024
Charitable Activities							
Restaurant & Coffee Shop		10,912	-	10,912	4,676	-	4,676
Core funding	2.1	1,028,872	-	1,028,872	918,872	-	918,872
Other grants	2.2	519,535	1,123,476	1,643,011	1,960,384	2,192,060	4,152,444
Retail Shop sales		3,586,914	-	3,586,914	1,128,838	-	1,128,838
Other trading activities	3	190,947	-	190,947	147,241	-	147,241
TOTAL INCOME		9,924,818	1,123,476	11,048,294	8,702,664	2,192,060	10,894,724
Expenditure on:							
Raising funds	6	3,520,350	-	3,520,350	2,978,896	-	2,978,896
Charitable Activities							
Hospice Services	7	6,422,120	1,123,476	7,545,596	5,158,822	2,288,285	7,447,107
TOTAL EXPENDITURE		9,942,470	1,123,476	11,065,946	8,137,718	2,288,285	10,426,003
Net (losses) / gains on investment assets	11	904,890	-	904,890	2,976,105	-	2,976,105
Net income and movement in Funds		887,238	-	887,238	3,541,051	(96,225)	3,444,826
Reconciliation of Funds							
Total funds brought forward		27,193,129	-	27,193,129	23,652,078	96,225	23,748,303
TOTAL FUNDS CARRIED FORWARD	17	28,080,367	-	28,080,367	27,193,129	-	27,193,129

The notes on pages 21 to 38 form part of these financial statement

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2022**

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	10	9,156,665	8,861,901	8,877,196	8,576,080
Investments	11	16,176,516	16,350,950	16,176,516	16,350,950
Shares in subsidiaries	12	-	-	100	100
		25,333,181	25,212,851	25,053,812	24,927,130
Current assets					
Stocks	13	6,765	13,754	-	-
Debtors	14	751,161	557,170	1,144,956	962,364
Cash at bank and in hand		2,697,113	2,006,874	2,582,098	1,892,308
		3,455,039	2,577,798	3,727,054	2,854,672
Current liabilities					
Creditors: amounts falling due within one year	15	(707,853)	(597,520)	(700,499)	(592,597)
Net current assets		2,747,186	1,980,278	3,026,555	2,262,075
Total assets less current liabilities					
		28,080,367	27,193,129	28,080,367	27,189,205
Funds					
Unrestricted funds:					
Designated funds: -					
Hospice Fixed Assets	17	8,877,196	8,576,073	8,877,196	8,576,073
Hospice Designated Funds	17	10,196,748	11,275,000	10,196,748	11,275,000
Total designated funds	17	19,073,944	19,851,073	19,073,944	19,851,073
General funds	17	9,006,423	7,342,056	9,006,423	7,338,132
Total unrestricted funds		28,080,367	27,193,129	28,080,367	27,189,205
Restricted funds	17	-	-	-	-
Total funds	17	28,080,367	27,193,129	28,080,367	27,189,205

The notes on pages 21 to 38 form part of these financial statements.

As permitted by S408 of the Companies Act 2006 the charity has not presented its own income and expenditure and related notes. Charity only income of £10,861,463 is included and a surplus of £891,162 resulted for the year for the charity.

Approved by the Board on 1 November 2022 and authorised for issue on 30 November 2022



Gary Withers - Chairman



Nick Farthing - CEO

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

		Group	
	Notes	2022 £	2021 £
Cash flows from operating activities			
<i>Net cash provided by operating activities</i>	20	500,559	1,144,544
Cash flows from investing activities:			
Dividends, interest and rents from investments		187	1,024
Proceeds from the sale of investments		1,000,000	1,029,890
Purchase of property, plant & equipment / investment properties		(768,270)	(30,763)
Purchase of investments		(20,692)	(2,464,754)
<i>Net cash used in investing activities</i>		211,225	(1,464,603)
<i>Change in cash and cash equivalents in the reporting period</i>		711,783	(320,059)
Cash and cash equivalents at the beginning of the reporting period		2,006,874	2,326,933
<i>Cash and cash equivalents at the end of the reporting period</i>		2,718,657	2,006,874

Analysis of Changes in Net Debt

Group	Start of Year	Cash Flows	End of Year
Cash	2,006,874	690,239	2,697,113
Investment cash	-	21,544	21,544
	2,006,874	711,783	2,718,657

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) 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) (effective 1 January 2019 - (Charities SORP 2nd edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Hospice in the Weald 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 notes.

The financial statements are presented in pounds sterling (GBP), being the functional currency of the group, and are rounded to the nearest thousand pounds.

b) Preparation of the accounts on a going concern basis

Hospice in the Weald had £9,006,423 of unrestricted reserves to draw on as at 31 March 2022 should income fall dramatically during the next 2 years. Trustees consider it appropriate to prepare the accounts on a going concern basis. There are no material uncertainties about the group's ability to continue as stated in Principal Risks and Uncertainties on page 15 of the Strategic Report.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Hospice in the Weald (Trading Limited) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by paragraph 408 of the Companies Act 2006.

d) Income

Income is recognised upon entitlement, when the receipt is probable and when the value can be reliably measured. Legacies are recognised when receipt is probable. Legacy income, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executors' intention to make distribution. 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.

e) Statutory funding

Income received under agreements with statutory bodies is included in these accounts on a receivable basis where a contract exists. Where no contract exists, the income is recognised in accordance with the wishes of the relevant statutory body when it becomes probable that the income will be received, and it can be measured with sufficient reliability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

f) Investment income

Investment income represents gross income derived from investments held under unrestricted funds and is accounted for on a receivable basis.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

h) Expenditure

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 comprise the costs of fundraising and commercial trading
- Expenditure on charitable activities is the provision of care to patients and those important to them

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include ICT, finance, facilities and governance costs and are allocated on a departmental basis.

j) Operating leases

The charity classifies the lease of retail premises as operating leases; the title to the freehold or equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where their individual item cost exceeds £5,000 and then depreciated over their economic useful lives, less residual values, as follows:

- Hospice buildings – over the expected useful life of 35 years (building refurbishments are not depreciated in the year they are undertaken, but start in the following period)
- Rusthall Shop (Freehold) - over the expected useful life of 50 years
- Equipment – 25% on a straight-line basis
- Software – 25% on a straight-line basis
- Motor vehicles – 25% on a reducing balance basis
- Leasehold Shop refits – Equally over the life of the lease

The Hospice regularly reviews the projected useful life of all fixed assets to determine that the cost is fairly amortised over the expected life of the asset. The Hospice building, which includes a significant element of specialist facilities, has been reviewed with the benefit of professional advice. It is concluded that consistent with similar facilities and with the benefit of regular maintenance the existing building should have a life expectancy of 35 years from April 1999 before needing to be replaced. Similarly the Cottage Hospice has a life expectancy of 35 years from December 2019 before needing to be replaced.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

l) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in a subsidiary company is held at cost less accumulated impairment losses.

m) Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

n) Financial instruments

Financial instruments are recognised in the Balance Sheet when Hospice in the Weald becomes party to the contractual provisions of the instrument. The group has elected to apply the provisions of section 11 "Basic Financial Instruments" of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends upon the nature and purpose of the instruments and is determined at the time of recognition. Hospice in the Weald's financial instruments are categorised as basic financial instruments.

o) Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

p) Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

q) Stock

Stocks of donated goods are not brought into these financial statements under SORP FRS 102, paragraph 6.29. Stocks accounted for are goods for resale, which are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

r) Debtors

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

s) 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.

t) 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.

u) Pensions

The group contributes to the NHS Superannuation scheme for nursing and medical staff, which is a defined benefit scheme treated as a defined contribution scheme, and to a defined contribution scheme in respect of its other employees. Contributions are charged in the accounts as incurred or as a liability when recognised in accordance with employment legislation.

v) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

w) Estimates and area of judgements / uncertainty

The group does not make estimates or assumptions regarding the future and has no intangible assets. All leases are operating leases.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Financial Performance of the charity - Incoming Resources

2.1 Core funding from statutory bodies

	2022	2021
	£	£
West Kent CCG	928,260	818,260
East Sussex Downs & Weald CCG	100,612	100,612
	<u>1,028,872</u>	<u>918,872</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2.2 Other grants

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
NHSE COVID	-	1,123,476	1,123,476	-	2,192,060	2,192,060
WKCCG Pharmacy	110,549	-	110,549	94,692	-	94,692
WKCCG Continuing Care & Fees	138,543	-	138,543	94,398	-	94,398
Workforce Development Fund	13,798	-	13,798	9,010	-	9,010
Kent County Council Social Services	28,540	-	28,540	33,240	-	33,240
Kent, Surrey & Sussex Deanery	87,214	-	87,214	79,845	-	79,845
Coronavirus Job Retention Scheme Grant (Furlough)	5,910	-	5,910	283,934	-	283,934
Research Grants	24,718	-	24,718	-	-	-
Business Interruption Insurance Claim	-	-	-	574,397	-	574,397
Shop local council COVID grants	110,263	-	110,263	790,868	-	790,868
	519,535	1,123,476	1,643,011	1,960,384	2,192,060	4,152,444

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Commercial trading operations

	2022	2021
	£	£
Income	504,044	329,130
Cost of sales	(44,928)	(27,466)
Administrative expenses	(458,924)	(292,915)
Total expenditure	(503,852)	(320,381)
Net Profit for the year	192	8,749
Amount gifted to the charity	3,547	8,749

Commercial trading operations cont.

Included in income is £313,097 (2021: £181,889) of transactions between the two companies that have been removed upon consolidation being the procurement charge in regard to sales made under the gift aid scheme.

4. Investment income and interest

	2022	2021
	£	£
Bank interest	187	1,023
Dividends	-	1
	187	1,024

5. Total net incoming resources are stated after charging:

	2022	2021
	£	£
Amounts payable to the auditors in respect of: Statutory audit	21,500	25,000
Amounts payable to the auditors in respect of other services (corporation tax compliance)	2,900	3,025
Depreciation	464,464	473,456
Operating lease rentals	421,077	538,907

6. Raising Funds Expenditure

	2022	2021
	£	£
Fundraising costs	885,157	835,943
Retail Shops	2,555,869	2,142,953
Investment Management Fees	79,324	-
	3,520,350	2,978,896

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Hospice Services

Direct costs

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Hospice in the Home	2,057,862	-	2,057,862	1,877,481	74,951	1,952,432
Cottage Hospice	854,833	-	854,833	663,765	96,225	759,990
Counselling	316,429	-	316,429	274,207	-	274,207
Hospice Day Services	273,811	-	273,811	676,369	-	676,369
In-Patient Ward	1,322,575	1,123,476	2,446,051	-	2,117,109	2,117,109
Children's Service	35,093	-	35,093	-	-	-
Hospitality	425,578	-	425,578	443,875	-	443,875
Communications	50,278	-	50,278	43,482	-	43,482
Depreciation	458,029	-	458,029	473,453	-	473,453
	5,794,488	1,123,476	6,917,964	4,452,632	2,288,285	6,740,917

Support Costs

Indirect costs of providing Hospice Services

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Office costs	233,059	-	233,059	278,961	-	278,961
Information technology	108,480	-	108,480	104,007	-	104,007
Accommodation	236,776	-	236,776	284,893	-	284,893
Accountancy and audit	25,850	-	25,850	20,175	-	20,175
Legal Costs	23,467	-	23,467	18,154	-	18,154
	627,632	-	627,632	706,190	-	706,190
Total Hospice Services costs	6,422,120	1,123,476	7,545,596	5,158,822	2,288,285	7,447,107

No Member of the Board received any remuneration, fees or reimbursement of expenses from the group during the year under review or the previous year.

No Member of the Board was associated with any contract of purchase or supply to the Hospice during the year under review or the previous year except as set out in note 22.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Staff costs	2022	2021
	£	£
Wages and salaries	6,169,719	5,758,435
Social security costs	531,624	500,359
Other pension costs - unrestricted	514,066	506,648
	<u>7,215,409</u>	<u>6,765,442</u>
The average number of persons working for the group (excluding Trustees and volunteers) during the year was as follows		
	2022	2021
Medical and nursing	134	128
Counselling & Support Services	9	8
Fundraising (including Lottery)	16	13
Facilities, Catering and Housekeeping	22	24
Shops	45	40
Commercial Trading	3	4
Finance and IT	7	6
Management and administration	7	8
	<u>243</u>	<u>231</u>

Bank (zero contract hours) and agency staff have not been included in the staff numbers

The number of employees whose emoluments exceeded £60,000 was:

£60,001 - £70,000	2	2
£80,001 - £90,000	1	-
£100,001 – £110,000	-	1
£110,001 – £120,000	1	-
£130,001 - £140,000	1	1
	<u>1</u>	<u>1</u>

In respect of higher paid employees benefits were paid into a defined contribution scheme for 1 (2021:2) employees and into a defined benefit scheme for 1 (2021:2) employees. Total contributions to a defined contribution scheme in respect of these employees were £11,733 (2021: £16,045).

Key management personnel remuneration costs for the year amounted to £466,314 (2021: £430,009).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Pension costs

The group contributes to the NHS Superannuation scheme for nursing and medical staff and to a defined contribution scheme for other staff. The NHS Superannuation Scheme is an approved multi-employer scheme and, as such, the charity is not able to identify its share of assets or the potential liability it may have to the scheme at the balance sheet date. Contributions payable in the accounting period are charged to the statement of financial activities as they fall due. The pension costs, classified under staff costs, represent contributions payable by the group to the schemes and amount to £514,066 (2021: £506,648).

10. Tangible fixed assets

Group Cost or valuation	Investment Properties	Freehold Properties	Leasehold Shop refits	Motor Vehicles	Equipment	Total
	£	£	£	£	£	£
At 1 April 2021	285,821	11,982,990	232,134	51,050	309,937	12,861,932
Additions		757,906	-	-	10,369	768,275
Transfers	(285,821)	285,821	-	-	-	-
Disposals		(9,036)	-	-	(59,056)	(68,092)
At 31 March 2022	-	13,017,081	232,134	51,050	261,250	13,562,115
Depreciation						
At 1 April 2021	-	3,651,493	88,073	32,530	227,935	4,000,031
Charge for year	-	389,980	29,742	5,832	38,910	464,464
Depreciation on disposal	-	-	-	-	(59,045)	(59,045)
At 31 March 2022	-	4,041,473	117,815	38,362	207,800	4,405,450
Net book value						
At 31 March 2022	-	8,976,208	114,319	12,688	53,450	9,156,665
At 31 March 2021	285,821	8,331,497	144,061	18,520	82,002	8,861,901

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Tangible fixed assets cont.

Charity	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2021	11,982,990	232,134	51,050	301,018	12,567,192
Additions	757,906	-	-	10,369	768,275
Disposals	(9,036)	-	-	(59,056)	(68,092)
At 31 March 2022	12,731,860	232,134	51,050	252,331	13,267,375
Depreciation					
At 1 April 2021	3,651,493	88,073	32,530	219,016	3,991,112
Charge for year	383,628	29,742	5,832	38,910	458,112
Depreciation on disposal	-	-	-	(59,045)	(59,045)
At 31 March 2022	4,035,121	117,815	38,362	198,881	4,390,179
Net book value					
At 31 March 2022	8,696,739	114,319	12,688	53,450	8,877,196
At 31 March 2021	8,331,497	144,061	18,520	82,002	8,576,080

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Fixed Assets Investments Portfolio

Group and Charity	2022	2021
	£	£
Quoted and listed investments	<u>16,176,516</u>	<u>16,350,950</u>
Quoted and listed investments comprise:		
UK managed funds	<u>16,176,516</u>	<u>16,350,950</u>
Movements on quoted and listed investments:		
Market Value at beginning of the year	16,350,950	11,939,981
Additions at cost	20,692	2,464,754
Disposals at carrying value	(1,000,000)	(1,029,890)
Net gain on revaluation	783,330	2,976,105
Movement on cash balance	21,544	-
Market value at the end of the year	<u>16,176,516</u>	<u>16,350,950</u>
Cost at 31 March	<u>12,476,602</u>	<u>12,758,526</u>
Investments which comprise more than 5% of the total market value of investments at the 31 March 2022 were:		
Sarasin Alpha CIF for endowments (accumulated units)		<u>16,176,516</u>

12. Shares in subsidiary undertakings

	2022	2021
	£	£
Cost of shares in subsidiary undertakings	<u>100</u>	<u>100</u>

	% of Ordinary Shares held	Country of incorporation
Hospice in the Weald (Trading) Limited	100%	England and Wales

Hospice in the Weald (Trading) Limited, company no 1886504, has assets of £401,249 and liabilities of £401,149.

13. Stocks

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Goods for resale	<u>6,765</u>	<u>13,754</u>	<u>-</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Other debtors	123,440	109,775	123,440	109,775
Trade debtors	30,978	21,375	30,978	8,651
HITW (Trading) Ltd	-	-	393,795	417,918
Accrued income	370,380	254,000	370,380	254,000
Prepayments and deferred costs	226,363	172,020	226,363	172,020
	751,161	557,170	1,144,956	962,364

The advance to Hospice in the Weald (Trading) Limited is in order to fund the fixed and working capital requirements of that company and carries interest at current market rates.

15. Creditors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Amounts due within one year				
Trade creditors	438,442	294,743	438,442	294,742
Other Creditors	17,003	21,017	9,648	16,095
Other taxation and social security creditor	137,533	139,117	137,533	139,117
Pension accrual	11,085	4,206	11,085	4,206
Accruals	47,349	73,897	47,349	73,897
Deferred income	56,441	64,540	56,441	64,540
	707,853	597,520	700,498	592,597

	2022	2021
	£	£
Deferred Income		
Brought forward	64,540	68,267
Deferred income	56,441	64,540
Released	(64,540)	(68,267)
Carried forward	56,441	64,540

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place and we:train courses which are released as and when the course takes place.

16. Financial Instruments

Financial Instruments - Group

	2022	2021
	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value through profit loss	16,176,516	16,350,950

Financial Instruments - Charity

	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value through profit loss	16,176,516	16,350,950

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Movement in funds

Group	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31 March 2022 £
Unrestricted funds					
General fund	7,342,056	9,224,629	(8,465,152)	904,890	9,006,423
Designated funds					
Hospice Fixed Assets	8,576,073	700,189	(399,066)	-	8,877,196
Future Development Needs	10,275,000	-	(1,078,252)	(1,000,000)	8,196,748
Building Maintenance Fund	-	-	-	1,000,000	1,000,000
Children's Services Fund	500,000	-	-	-	500,000
IT Development Fund	500,000	-	-	-	500,000
Total designated funds	19,851,073	700,189	(1,477,318)	-	19,073,944
Restricted funds	-	1,123,476	(1,123,476)	-	-
	27,193,129	11,048,294	(11,065,946)	904,890	28,080,367

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Movement in funds cont.

Charity	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31 March 2022 £
Unrestricted funds					
General fund	7,338,132	9,037,798	(8,274,398)	904,890	9,006,423
Designated funds					
Hospice Fixed Assets	8,576,073	700,189	(399,066)	-	8,877,196
Future Development Needs	10,275,000	-	(1,078,252)	(1,000,000)	8,196,748
Building Maintenance Fund	-	-	-	1,000,000	1,000,000
Children's Services Fund	500,000	-	-	-	500,000
IT Development Fund	500,000	-	-	-	500,000
Total designated funds	<u>19,851,073</u>	<u>700,189</u>	<u>(1,477,318)</u>	<u>-</u>	<u>19,073,944</u>
Restricted funds	-	1,123,476	(1,123,476)	-	-
	<u>27,189,205</u>	<u>10,861,463</u>	<u>(10,875,192)</u>	<u>904,890</u>	<u>28,080,367</u>

Designated Funds: The Trustees have designated funds to provide for future development and maintenance of the Hospice buildings; launch of Children's Services in late 2022; ICT Development Fund to improve IT infrastructure and business systems, including stable Wi-Fi and improved telephony

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Analysis of group net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Group 2022				
Fixed assets	279,469	8,877,196	-	9,156,665
Investments	5,979,768	10,196,748	-	16,176,516
Current assets	3,455,039	-	-	3,455,039
Current liabilities	(707,853)	-	-	(707,853)
	9,006,423	19,073,944	-	28,080,367
Charity 2022				
Tangible fixed assets	-	8,877,196	-	8,877,196
Investments	5,979,768	10,196,748	-	16,176,516
Shares in subsidiary company	100	-	-	100
Current assets	3,727,053	-	-	3,727,053
Current liabilities	(700,498)	-	-	(700,498)
	9,006,423	19,073,944	-	28,080,367
Group 2021				
Fixed assets & investment properties	-	8,861,901	-	8,861,901
Investments	5,361,778	10,989,172	-	16,350,950
Current assets	2,572,875	-	-	2,572,875
Current liabilities	(592,597)	-	-	(592,597)
	7,342,056	19,851,073	-	27,193,129
Charity 2021				
Tangible fixed assets	-	8,576,080	-	8,576,080
Investments	5,075,957	11,274,993	-	16,350,950
Shares in subsidiary company	100	-	-	100
Current assets	2,854,672	-	-	2,854,672
Current liabilities	(592,597)	-	-	(592,597)
	7,338,132	19,851,073	-	27,189,205

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Operating leases – All Property

	2022	2021
	£	£
At 31 March 2022 the group and charity were committed to:		
Leases which expire - within one year	580,974	538,907
- within 2 to 5 years	1,365,413	1,215,161
- after 5 years	513,430	314,231
	<u>2,459,817</u>	<u>2,068,299</u>

20. Reconciliation of net income to net cash flow from operating activities

	Group	
	2022	2021
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	887,238	3,444,826
Adjustments for:		
Depreciation charges	464,464	473,456
(Gains) / losses on investments	(783,330)	(2,976,105)
Dividends, interest and rents from investments	(187)	(1,024)
(Profit) / loss on the sale/disposal of fixed assets	9,036	177,766
Decrease / (Increase) in stocks	6,989	(2,698)
Decrease / (increase) in debtors	(193,992)	22,893
Increase / (Decrease) in creditors	110,341	5,430
	<u>500,559</u>	<u>1,144,544</u>

21. Members' liability

Hospice in the Weald is a company limited by guarantee, with no share capital. Every member undertakes to meet the liabilities of the company in the event of its being wound up. The potential liability of each member does not exceed £1. Total guarantees at 31 March 2022 were £25 (2021:£25).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Related party transactions

J Ford is a trustee of the charity and a partner in Cripps Pemberton Greenish, purchases of £nil (2021: £1,066) were made from Cripps Pemberton Greenish during the year for advice regarding NHSE grant repayments. There was no outstanding balance at year end (2021: £nil) and no provision for doubtful debts has therefore been made.

Included in total expenditure is £2,400 (2021: £2,400) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited that have been removed upon consolidation. £2,400 (2021: £2,400) is for shared office facilities at the Hospice building.

Included within debtors in the Charity balance Sheet is an amount of £ 396,223 (2021: £417,918) owed by Hospice in the Weald (Trading) Limited, a wholly owned subsidiary of Hospice in the Weald. This balance was eliminated on consolidation.

Related party transactions are carried out on an arm's length basis-

23. Capital Commitments

At 31 March 2022 the group had no capital commitments (2021: £575,000).

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Opinion

We have audited the financial statements of Hospice in the Weald (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise of the consolidated statement of financial activities, group balance sheet, charity balance sheet, consolidated cash flow statement and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

Other information

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

HOSPICE IN THE WEALD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD

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.

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

Matters on which we are required to report by exception

In the light of 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 where the Companies Act 2006 require 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, 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 the 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 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.

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, through significant fines, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

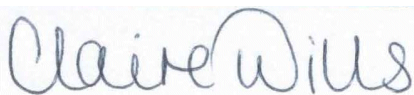
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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.

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.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
 Claire Wills (Senior Statutory Auditor)
 for and on behalf of Saffery Champness LLP

Chartered	71 Queen Victoria Street
Accountants	London
Statutory Auditors	EC4V 4BE

Date: 02 December 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

HOSPICE IN THE WEALD

England & Wales - Charity number 280276

Accounts



*Celebrating Life,
Dignifying Death*



Hospice in the Weald Annual Report

(and consolidated financial statements)
Year Ended 31 March 2021

www.hospiceintheweald.org.uk

Registered Charity No. 280276 • Company No. 1499846





HOSPICE
IN THE WEALD
*Celebrating Life,
Dignifying Death*

HOSPICE
IN THE WEALD
*Celebrating Life,
Dignifying Death*
Jane
Nursing
Assistant

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Introduction from our Chairman

I am very pleased to present this year's annual report which details our performance over the last financial year and our plans for the future. The Hospice has been significantly impacted by the COVID pandemic and the additional risks it brings, and we have had to manage our services accordingly. We are now largely back to normal activities with appropriate precautions for patients, visitors, employees and volunteers.

Over the last 18 months the Hospice Leadership Team has been operating a COVID Response Team with responsibility for interpreting government guidance relating to COVID on behalf of the organisation and managing the associated risks. The primary risks related to safety, in particular maintaining scrupulous infection prevention and control measures for patients, their loved ones, and our workforce. At the height of COVID restrictions our buildings were split into different zones to enable us to operate. PPE provision was a challenge and we introduced a host of new procedures. I am pleased to say that collectively these steps enabled us to remain open throughout the pandemic.

The financial risks and implications of the pandemic have also been significant. Government guidance forced the closure of our shops and the cancellation of various fundraising events, both significant sources of income for the Hospice. We are conservatively managed and have been able to use some of our financial reserves to manage through this period. Government support of £3.3 million was also very helpful in the reporting period.

Unsurprisingly, we did see a reduction in patients at the height of the pandemic but we were open throughout the year for COVID and non-COVID patients. We reduced the number of visitors to patients at Cottage Hospice and on the In-Patient Ward, although I am proud to say that our measures meant we did not need to halt visiting entirely. Unlike care homes and hospitals, our patients had visitors at critical times and no Hospice in the Weald patient died alone. Hospice Day Service was temporarily paused due to government guidance and we offered counselling sessions via telephone or video calls. This improved access to counselling will remain in place after the pandemic ends. Regardless of further COVID outbreaks or indeed other crises, the Trustee Board and Hospice Leadership Team will try to ensure that Hospice care is available for everyone who needs it.

All of these risks and pressures had a major impact on our workforce. We put a number of additional support mechanisms in place to help staff and volunteer wellbeing and resilience. Our people have had to work under difficult conditions for a long period of time and we greatly appreciate their efforts and resilience over this period.

Since we closed the accounts we have also said farewell to our Chief Executive, Rob Woolley. Rob has been instrumental in building and growing the Hospice over the last decade and we are grateful for his many years of service.

The Hospice is a community service and business. Our income comes from the community through our shops, our fundraising events, and through gifts and legacies. Our patients come from the community and our staff provide a range of services to them and their families at a difficult time for all. There has been a greater appreciation of local communities and services through this pandemic, and I believe the Hospice will be stronger in the future as we transition through and out of the pandemic. Thank you to all who have supported us in the last 12 months in whatever capacity.



A handwritten signature in black ink that reads "Gary Withers". The signature is written in a cursive style with a large initial 'G'.

Gary Withers
Chairman

Charity registration number 280276

Company number 01499846

Trustees

Dr N Benson
 Ms S Cockaday
 Ms J Ford
 Ms C Freshwater
 Dr S Grieve (Appointed 19 June 2020)
 Mr S Lee (Resigned 8 December 2020)
 Ms S Pinkney
 Mr T Rolfe
 Mr E Wesson
 Mr G Withers (Appointed 1 September 2020)
 Dr C Wykes

Hospice Leadership Team

Mr R Woolley Chief Executive (Resigned 31 July 2021)
 Mr N Farthing Development & Income Generation Director
 Mr P Madden Care Director
 Mrs J Lavender Finance Director
 Dr H McGee Medical Director (Resigned 30 April 2021)

Patrons

Mr Greg Clark MP
 Mr George Cohen MBE
 Mr Chris Cowdrey
 Mr Rob Eades
 Mr Tim Edmunds
 Ms Nusrat Ghani MP
 Ms Helen Grant MP
 Mr Charles Hendry
 Mrs Marit Rausing
 Mr Tom Tugendhat MP

President

Mr Simon Lee

**Vice Presidents
 (Members)**

Mr Peter Bennelick
 Mrs Sonia Burt
 Mr Martin Dace
 Mr Brian Dudley
 Sir Jeremy Elwes
 Mr Peter Lewis
 Prof. John Salter

Charity Information

Vice Presidents (Non-members)

Mr John Ashelford
Mr David Payne
Mr Richard Snow

Registered address

Maidstone Road
Pembury
Kent
TN2 4TA

Statutory auditors

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Bankers

Lloyds Bank Plc
82 Mount Pleasant Road
Tunbridge Wells
Kent
TN1 1RP

Investment Fund Management

Sarasin & Partners
Juxon House
100 St. Paul's Churchyard
London
EC4M 8BU

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (“the Charities SORP”) and Financial Reporting Standard (FRS) 102 in preparing the annual report and financial statements of the Charity. The Charity is a charitable company limited by guarantee and was established on 27 June 1980. The Charity is governed by its Memorandum and Articles of Association whose objects are entirely charitable.

Charitable Objects

The objects for which the Charity is established are:

To promote the relief of sickness in such charitable ways as the Charity shall from time to time think fit, and in particular (but without prejudice to the generality of such object):

- to promote the care without limitation of sex, race or age, of persons suffering from terminal illness or intractable pain whether in hospitals, nursing homes, clinics or their own homes and to provide medical nursing and other treatment and attention according to their needs, together with guidance and assistance for those caring for them;
- to conduct, promote and encourage research into the care and treatment of sufferers from terminal illness or intractable pain and to make publicly available the results of such research and to promote, encourage and assist in the teaching and training of doctors, nurses, physiotherapists, psychologists and other persons engaged in the care of such sufferers.

Hospice in the Weald serves a population of 402,000 people covering an area of over 400 square miles of West Kent and East Sussex. It delivers a multi-professional service to improve the quality of life for patients with a terminal illness and those important to the patient.

Organisational Structure, Governance and Management

The Charity is established for the purposes expressed in the Articles of Association. The Trustees are expected to serve an initial term of three years and can then be re-elected to serve a further term to not normally exceed six years in total. The Board considers any Trustee vacancies to ensure that there remains on the Board a balance of skills, diversity and experience. New Trustees are put forward by existing Trustees. Future Trustees are interviewed by the Chairman and at least two other Trustees and meet with the Chief Executive. New Trustees receive induction arranged by the Chief Executive and, in advance, receive several key documents to allow them to understand the organisation.

Trustees do not receive any remuneration but are entitled to be reimbursed for any expenses incurred in attending Board meetings. No expenses were claimed during the year (2020 - £nil).

The appointment, resignation or retirement of Trustees is announced at the Charity’s Annual General Meeting (AGM).

Trustees have ultimate responsibility for the Charity. They meet at least four times a year to review the strategy and performance of the Charity and to set objectives, operating plans and budgets and approve the annual accounts.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Committees

Separate committees have been established to provide specific support and guidance to the Chief Executive and the Hospice Leadership Team (HLT). Each committee is chaired by a Trustee and determines the frequency and content of its meetings depending on the needs of the organisation. The terms of reference for each committee are reviewed by the Board once a year and the Chairman is ex-officio on all committees. The Chair of each committee gives a report to the full body of Trustees at Board meetings.

Committee Membership: -

Finance and Commercial Committee: Ms C Freshwater (Chair), Ms J Ford, Ms S Pinkney, Ms S Cockaday, Dr S Grieve (appointed 19 June 2020), Mr T Rolfe, Mr E Wesson, Mr R Woolley (resigned 31 July 2021), Mrs J Lavender, Mr N Farthing, Mr S Lee (resigned 8 December 2020, ex-officio), Mr G Withers (appointed 1 September 2020, ex-officio).

Clinical Governance Committee: Dr C Wykes (Chair), Dr N Benson, Ms J Ford, Ms C Freshwater, Dr S Grieve (appointed 19 June 2020), Ms S Pinkney, Ms S Cockaday, Dr H McGee (resigned 30 April 2021), Mr P Madden, Mr R Woolley (resigned 31 July 2021) Mr S Lee (resigned 8 December 2020, ex-officio), Mr G Withers (appointed 1 September 2020, ex-officio).

Children's Services Committee (commenced January 2021): Ms J Ford (Chair), Dr N Benson, Mr T Rolfe, Mr E Wesson, Dr C Wykes, Mr N Farthing, Mr R Woolley (resigned 31 July 2021), Mr G Withers (appointed 1 September 2020, ex-officio).

The Trustees delegate authority for the day to day management of the Charity and its subsidiary company to its appointed Chief Executive, supported by the Hospice Leadership Team with specialist and individual responsibility for all functional activities. The subsidiary (trading) company has a Board of Directors and operates at arm's length from the charity.

Trustee Training

The Trustees are interested in their own training and development as individuals and collectively as a Board. They are aware of organisations that help Trustees and will take part in training as required. Trustees know from the Charity Commission guidance in CC3a that Trustee E-learning is available on-line. The Trustees also join together with the Hospice Leadership team once a year in a "Development Day" which is focused on joint learning.

Public Benefit

The presumption of public benefit was removed by the Charities Act 2011. Charities are therefore required to demonstrate public benefit. The objects of Hospice in the Weald are set out on page 6. Accordingly the charitable purposes of Hospice in the Weald fall within the criteria of Section 2 of the Charities Act 2011 and thereby the organisation, which has been established exclusively for charitable purposes, is for public benefit. In planning the activities for the year, the Trustees have given careful regard to the Charity Commission's guidance on public benefit and considered its implications for the Charity.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Related Party Disclosures

We need to make disclosures in respect of 'related party disclosures' as FRS 102 requires disclosure of group transactions such as those in note 22. It is also prudent in this annual report to make clear that some of the income derived through our charity shops is undertaken by a trading company. We have three of the Charity Trustees, including the Chairman, act as the Directors of the trading company. The CEO and Development and Income Generation Director work alongside them and also act as Directors of the trading company. Hospice in the Weald (Trading) Ltd charged Hospice in the Weald £181,889 for donor procurement in the year to 31 March 2021 (2020 - £422,334).

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Charitable Activities

Our main focus continues to be to increase the number of Hospice palliative care referrals and we received 1,676 new referrals by the end of the financial year, a decrease of 7% on the previous year. Much of this is a result of the COVID-19 pandemic, during which time it was well documented that many people were not attending GP and/or hospital appointments, which led to an overall decrease in new referrals from all sources. In end of life care scenarios, people were frightened by the prospect of being separated from loved ones and the possibility of not being able to say goodbye. Hospice in the Weald remained open throughout the pandemic and was able to facilitate many families having a good death at this difficult time.

Key Performance Indicators (KPIs) - Dashboard

The Hospice has a number of different KPIs. These include Clinical referrals, occupancy, patients preferred place of death, Cottage Hospice Service Delivery plan objectives as well as financial indicators and staff turnover. These KPI's contain both quantitative and qualitative KPIs which are reported on a regular basis through each of the Board committees.

Strategic Objectives

All of Hospice in the Weald's objectives, as set out in its Business Plan, are to meet one or more of its six Strategic Aims:

1. Develop and deliver our services so that each year we reach more people who are in the last year of their life, and those important to them.
 2. Provide a fully integrated 24/7 Hospice Palliative Care service that is available equally across the communities we serve.
 3. Be a leader in Hospice Palliative Care and End of Life Care, collaborating with other relevant organisations for this purpose, where appropriate.
 4. Improve our infrastructure to build organisational resilience and develop our whole workforce to deliver high quality service.
 5. Build our financial strength so that everyone in the community we serve can be confident that Hospice in the Weald will always be available to care for them and their loved ones at end of life.
 6. Raise awareness of the importance of good Hospice Palliative Care, so that people living in the communities we serve have the best opportunities to celebrate their lives and die with dignity.
-



1,673 patients referred

2,376 Counselling Sessions

317 Patients cared for on our In-Patient Ward



Patients can access our care by phoning us or emailing us, there is no need for a referral from their GP or Hospital.

16% of our patients referred themselves to us in this reporting period.



During COVID...

We put on counselling sessions via video call to help support people throughout the COVID lockdowns

6,541
home visits





Julie's Story

“ Julie remembers her mum, Janet, and shares what a difference Hospice nurses made to her family at the end of Janet's life. ”

“My Mum was an exceptional woman, she was intelligent, funny, caring and thoughtful, and someone you could always rely on for help and advice. She was also very strongwilled, and wasn't afraid to voice her opinion! She was a very spiritual woman with a passion for astrology and all things to do with star signs. She studied for many years and was a bit of a specialist in her field. Throughout her life she did astrology charts for all her friends and family, and even the odd celebrity! When Mum was diagnosed with terminal lung cancer we were totally determined to look after her ourselves. She had other complications too, which made treatment difficult. Mum was as tough as nails but had a heart of gold, and we really thought that us, her family, caring for her at home was the best possible option. Looking back, I was naive as to how quickly her condition would change, and how I could have accepted help earlier. Having experienced the impacts of terminal illness, and the pressures this can bring, I would recommend to others to be as open minded as possible when it comes to looking after your loved one. For me, the emotional and physical impact was difficult to deal with without support. I wasn't prepared for the effects this would have on me and my family. Mum's needs were beyond what I could possibly deliver.

I would say to anyone in our situation, accept all the help you can get. That's what the Hospice is here for – and what a difference the nurses made to us.

“ When Mum came to the Hospice I was completely overwhelmed by the atmosphere of the place. The nurses went above and beyond to fulfil all her wishes. It was not like anything I had imagined, it was more like an extension of home, where the wishes of our family were put first. ”

Mum loved her food and was a fantastic cook. My son and daughter absolutely loved her homemade chips and desserts. I always remember as a child coming home from school to homemade pies and pasties, they were delicious! She was very generous with her food and we could never walk through the front door without her offering us a cake, some chocolate or a packet of crisps.

We were so impressed when we arrived at the Hospice and Mum was offered something to eat. She really struggled with food at that point in her illness, and on asking the nurses what they had available, they said 'whatever you want'. We were so surprised; they even sourced her favourite ice-cream. Mum had a great sense of humour, she was sharp; conversation with her was always interesting and she always enjoyed a good debate. We always laughed and saw the funny side of things, even when she was very poorly. This continued at the Hospice and she was able to laugh and joke with the nurses, and they played her favourite music on her iPad.

The care at the Hospice isn't just for the patient, they understand how important close family is too. We were all swept up in the warmth and care of the nurses. They were there for us long before Mum became a patient at the Ward, they helped us navigate through home care, medical treatment and finally admission to the Hospice. They also guided me through the funeral and paper work and are still reaching out to us now.

They will be there for you the whole way through.



STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Our People

Hospice in the Weald, in common with all other hospices, spends its revenue principally on the provision of care. Salary costs are, and always will be, our main expenditure. The highly skilled Consultants, Doctors, Nurses and other clinical staff are where we focus our expenditure. We have in this year, like other years, ensured that at least 90 pence of each £1 that is raised goes toward the care of our patients and those important to them.

Our volunteers are vital to all that we do. We recruit them, train them and are responsible for them. At 31 March 2021 we had 955 volunteers working across all the Services and Departments in the Hospice and in all of our shops.

Income Generation

Fundraising

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £10.9 million showed a decrease of £680,195 over the previous year. Statutory funding from the Clinical Commissioning Groups (CCGs) decreased by £63,533 to £918,872. This NHS statutory funding from West Kent CCG has been included in core funding.

The COVID-19 pandemic has meant that all that was planned for the financial year 2020/2021 was put on hold. We set an emergency budget and made clear to everyone, internally and externally, that we would spend from reserves to weather the storm.

Coronavirus Job Retention Scheme Grants (furlough) totalling £283,394 were received for the period the retail shops were not permitted to open, local council grants totalling £790,868 were also received for the closure of the shops along with a substantial payout from our business interruption insurance claim totalling £574,397.

Voluntary income by way of donations and legacies (Gift in Will) totalled £4,541,629 compared to £6,721,979 in the previous year, a 32% decrease. Throughout late 2020 we reviewed our approach to Gift in Will fundraising which resulted in a new free to use will writing service launched on our website in mid-2021.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit of £8,749, a £13,930 decrease on previous year, this is reflective of the reduced sale of bought in goods in the shops and we:train making a £75,041 loss for the year. Planned increases in the number of apprentices never materialised due to impact of the pandemic on care homes.

Retail

The contribution from our retail shops during the year amounted to £830,035. This figure includes the £8,749 trading profit in Hospice in the Weald (Trading) Limited Limited plus the donations raised in relation to goods sold on behalf of donors and associated Gift Aid claims. Gift Aid is claimed by the Charity in respect of donations received from donors who agree to donate funds raised from the sale of their goods. The charity appoints Hospice in the Weald (Trading) Limited to act as agent for the sale of donated goods in the retail shops in accordance with HMRC's approved methodology. Hospice in the Weald (Trading) Limited charges donors a commission for selling their goods as their agent and makes a charge to the Charity for the service it provides in procuring donations for the Charity.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Income generation compliance report

Hospice in the Weald employs a core fundraising staff to develop, promote and run a range of fundraising campaigns, assisted by vital volunteers and taken up by our supporters. We steward our donors and promote our fundraising campaigns to them, and the wider community which we serve, through direct mail, e-mail contact, telephone and digitally.

We constantly monitor the cost and time which goes into each fundraising activity against the financial return to ensure we are making the most of every donation received.

We are registered with the Fundraising Regulator and work in accordance with the Code of Fundraising Practice, and the best practice laid out by the Hospice Lotteries Association, Institute of Fundraising and Charity Retail Association. Our lottery and raffles are promoted in accordance with the Gambling Commission guidelines and we have checks in place to monitor third parties who carry out work for us, or who we enter into contracts with.

We received no complaints through the Fundraising Regulator during the year. We review the frequency and appropriateness of our communications and provide an option for supporters to 'opt-out' of our communications. We contact based on legitimate interest, and operate a Supporter promise which is clearly communicated on our website.

We continue to listen to our supporters and to learn from them to shape our fundraising activity. Our supporters are very important to us and we put them at the heart of everything we do.

Financial Review

The overall result for the year after unrealised gains, and including restricted funds, amounted to a surplus of £3,444,826 (2020 £1,238,988).

Operating Expenditure

We are reporting a significant increase in our total operating expenditure from £6,786,334 to £7,447,107 a 10% increase year on year. This is due in the main to running Cottage Hospice for a full year and increasing our Services.

Financial Management

Core funding from the NHS stayed static in real terms, as has the Department of Health's contribution to the costs of the NHS Pension Scheme. Again, pension cost increases have been funded out of voluntary income. We continue to make the case for an increased contribution from the NHS.

As a direct result of the COVID pandemic the Hospice received one off grants. The NHSE awarded funding of £2.2 million to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

The one off grants and business interruption insurance claim received have offset the 32% decrease in voluntary income resulting in an operating surplus of £468,721.

Investments

An unrealised gain on investments is included in the overall result for the year of £2,976,105. In the year to 31 March 2021, the investment portfolio managed by Sarasin & Partners produced a return of +25.6% (after all fees and costs) which compared to the index based benchmark return of +25.5%, the Asset Risk Consultant (ARC) Charity Peer Group return of +24.0% and the long term CPI+4% target of +4.5%.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. The Board defines free reserves as readily realisable assets, mainly liquid investments and bank balances, less liabilities and accrued expenses. The Trustees consider that it is prudent and desirable and consistent with the Charity Commission guidelines to hold a level of free reserves and that this should be equivalent to at least one year's budgeted forward expenditure, considering likely scenarios in respect of current income streams. The Charity's forward expenditure for 2021-22 has been budgeted at £9.6 million. The Charity's free reserves at 31 March 2021 were £17.6 million. In addition, the Trustees have approved a £2.3 million deficit budget for 2021-22 which reflected the ongoing challenges arising from the Covid-19 pandemic. Steps are being taken in year to mitigate this deficit.

The Trustees designated £5 million in 2019 for a second Cottage Hospice and in this year have designated the following funds:

- £4.5 million to develop the land next to the Hospice
- £775k for the purchase and redevelopment of the Shephards House, Five Ashes
- £500k For the development of Chidrens Services
- £500k to invest in ICT Infrastructure

The Charity has no restricted funds at 31 March 2021 and after these designations the Charity's General Funds amount to £7.3 million.

Funds

- a) Restricted – these funds represent the balance of specific donations received after expenditures have been made in accordance with the donors' wishes and are therefore not freely available.
 - b) Designated – these are funds which the Board has earmarked for specific capital commitments and new initiatives. The majority of designated funds relate to Hospice buildings necessary to create the infrastructure to enable the Hospice to further its general objectives.
 - c) General – these funds represent the balance of reserves which are available to meet existing liabilities and contracted obligations and future operating costs.
-

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate against such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Hospice Leadership Team and Trustees have identified the following key areas of risk and have taken appropriate action, as far as it is possible and practical, to protect the organisation from any potential adverse exposures that could arise from:

1. Changes in external environment which result in there being a reduction in non-statutory funding and where we are not able to maintain historic levels of voluntary/community fundraising.
2. Changes in the external environment which result in there being a lack of statutory (State/NHS) funding and where Clinical Commissioning Groups (CCGs) do not commission/fund at historic levels of NHS funding.
3. Direct competition from other organisations who want to provide services we have traditionally provided, undermining our position in the community.
4. Damage to our reputation from a clinical error which adversely affects our standing.
5. Damage to our reputation from a non-clinical incident or error which adversely affects the organisation and its standing.

The above 5 risks are the current high-level risks and are identified through various systems and processes and are included in the Board Assurance Framework (BAF). These risks and all other risks that are identified for the organisation are managed in accordance with a comprehensive risk strategy that determines the scoring system for both the likelihood of a risk and the consequences, if that risk were to come to fruition. This gives both the management and the Trustees the view of a raw scoring system which is then subjected to a number of management actions to mitigate the likelihood of the risk occurring. These mitigating management actions are kept under constant review.

On 11th March 2020 The World Health Organisation (WHO) declared COVID-19 a global pandemic. Prior to this, the Hospice Leadership Team (HLT) had been monitoring the growing threat from COVID-19 and implemented the organisation's Crisis Plan on 13th February 2020. This led to the forming of a COVID-19 Response Team (CRT), a subgroup of HLT which initially met weekly and subsequently formed, during 2020-21 risk management processes for the COVID-19 era, based on the above. A separate COVID-19 BAF was created during 2020/21 and those risks monitored in the same way as our standard BAF. This group continues to meet, monitoring ongoing guidance and updating the workforce as required.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Future Developments

There are a number of areas where the Hospice needs to make investments or would like to expand its services. In particular, investments in digital processes and interfaces will make us more accessible and more efficient, and for some time we have been looking at developing a service for children and young people.

The research work for a children's service has included engagement with neighbouring children's hospices, hospital paediatricians, local centres for reference and other relevant stakeholders. We will invite local children, young people and their families to share their experiences and requirements with us as we design the service. We are recruiting initial staff and we expect to commence service delivery in 2022.

We have seen the beginnings of digital transformation in the current reporting period; work is being undertaken to redevelop our website and the provision of counselling sessions via video call has proved successful. There are further steps to be taken in the next year to enable the organisation to become more digitally effective. This involves both the overhaul of current systems and how we use them, understanding and better connecting our flows of data across the organisation, and a thorough assessment of our digital infrastructure. Our IT systems are in need of repair, replacement and upgrading. We have designated an IT development fund of £500,000 to bring our digital infrastructure up to standard and ensure it is future-proof.

In April 2021 we purchased The Shepherd's House, Five Ashes for £575k with the intention of redeveloping the property to create 5 self contained flats, £775k has been designated for this purpose.

Finally, with expanded future activities we have been looking at the potential acquisition of land adjacent to the Pembury building. This land has been allocated for Hospice development within the draft Tunbridge Wells Borough Council development plans and presents the most cost effective option for us to expand our infrastructure in the future. We have designated funds of £4.5 million with this in mind.

All of these plans will only be possible if COVID is successfully constrained, and our timetables could be impacted by any future government lockdowns or restrictions.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Statement of the Responsibilities of the Trustees

The Trustees, who are also directors of the Charity for the purposes of company law, are responsible for preparing the annual report and the consolidated 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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.

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.

This Annual Report and Consolidated Financial Statements were approved by the Board of Trustees on 2 November 2021. The Board of Trustees also specifically approved the Strategic Report on 2 November 2021. This is signed on their behalf by:



.....
Gary Withers
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Fund 2021	Restricted Fund 2021	Total 2021	Unrestricted Fund 2020	Restricted Fund 2020	Total 2020
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies		4,541,629	-	4,541,629	6,594,117	127,862	6,721,979
Investments	4	1,024	-	1,024	15,927	-	15,927
Charitable Activities							
Restaurant & Coffee Shop		4,676	-	4,676	65,283	-	65,283
Core funding	2.1	918,872	-	918,872	982,405	-	982,405
Other grants	2.2	1,960,384	2,192,060	4,152,444	390,356	-	390,356
Retail Shop sales		1,128,838	-	1,128,838	3,157,215	-	3,157,215
Other trading activities	3	147,241	-	147,241	241,754	-	241,754
TOTAL INCOME		8,702,664	2,192,060	10,894,724	11,447,057	127,862	11,574,919
Expenditure on:							
Raising funds		2,978,896	-	2,978,896	3,406,090	-	3,406,090
Charitable Activities							
Hospice Services	7	5,158,822	2,288,285	7,447,107	6,622,130	164,204	6,786,334
TOTAL EXPENDITURE		8,137,718	2,288,285	10,426,003	10,028,220	164,204	10,192,424
Net (losses) / gains on investment assets	11	2,976,105	-	2,976,105	(143,507)	-	(143,507)
Net income and movement in Funds		3,541,051	(96,225)	3,444,826	1,275,330	(36,342)	1,238,988
Reconciliation of Funds							
Total funds brought forward		23,652,078	96,225	23,748,303	22,376,748	132,567	22,509,315
TOTAL FUNDS CARRIED FORWARD	17	27,193,129	-	27,193,129	23,652,078	96,225	23,748,303

The notes on pages 21 to 37 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 MARCH 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	10	8,861,901	9,482,356	8,576,080	9,196,534
Investments	11	16,350,950	11,939,981	16,350,950	11,939,981
Shares in subsidiaries	12	-	-	100	100
		25,212,851	21,422,337	24,927,130	21,136,615
Current assets					
Stocks	13	13,754	11,056	-	-
Debtors	14	557,170	580,067	962,364	1,337,860
Cash at bank and in hand		2,006,874	2,326,933	1,892,308	1,861,993
		2,577,798	2,918,056	2,854,672	3,199,853
Current liabilities					
Creditors: amounts falling due within one year	15	(597,520)	(592,090)	(592,597)	(592,090)
Net current assets		1,980,278	2,325,966	2,262,075	2,607,763
Total assets less current liabilities					
		27,193,129	23,748,303	27,189,205	23,744,378
Funds					
Unrestricted funds:					
Designated funds: -					
Hospice Fixed Assets	17	8,576,073	9,196,531	8,576,073	9,196,531
Hospice Designated Funds	17	11,275,000	7,822,233	11,275,000	7,822,233
Total designated funds	17	19,851,073	17,018,764	19,851,073	17,018,764
General funds	17	7,342,056	6,633,314	7,338,132	6,629,389
Total unrestricted funds		27,193,129	23,652,078	27,189,205	23,648,153
Restricted funds	17	-	96,225	-	96,225
Total funds	17	27,193,129	23,748,303	27,189,205	23,744,378

The notes on pages 21 to 37 form part of these financial statements.

As permitted by S408 of the Companies Act 2006 the charity has not presented its own income and expenditure and related notes.

Charity only income of £10,756,231 is included and a surplus of £3,444,826 resulted for the year for the charity.

Approved by Board and authorised for issue on 2 November 2021



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Gary Withers
Chairman



.....
Nick Farthing
Acting CEO

CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Cash flows from operating activities					
Net cash provided by operating activities	20	1,144,544	1,637,506	1,494,918	2,164,218
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,024	15,927	1,024	15,927
Withdrawal of cash held for investment		1,029,890	1,000,000	1,029,890	1,000,000
Purchase of property, plant & equipment / investment properties		(30,763)	(3,191,240)	(30,763)	(3,184,320)
Purchase of investments		(2,464,754)	-	(2,464,754)	-
Net cash used in investing activities		<u>(1,464,603)</u>	<u>(2,175,313)</u>	<u>(1,464,603)</u>	<u>(2,168,393)</u>
Change in cash and cash equivalents in the reporting period		(320,059)	(537,807)	30,315	(4,175)
Cash and cash equivalents at the beginning of the reporting period		<u>2,326,933</u>	<u>2,864,740</u>	<u>1,861,993</u>	<u>1,866,168</u>
Cash and cash equivalents at the end of the reporting period		<u>2,006,874</u>	<u>2,326,933</u>	<u>1,892,308</u>	<u>1,861,993</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) 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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Preparation of the accounts on a going concern basis

Hospice in the Weald had £7,342,056 of unrestricted reserves to draw on as at 31 March 2021 should income fall dramatically during the next 2 years. Trustees consider it appropriate to prepare the accounts on a going concern basis. There are no material uncertainties about the group's ability to continue as stated in Principal Risks and Uncertainties on page 15 of the Strategic Report.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Hospice in the Weald (Trading) Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by paragraph 408 of the Companies Act 2006.

d) Income

Income is recognised upon entitlement, when the receipt is probable and when the value can be reliably measured. Legacies are recognised when receipt is probable. 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. Legacy income, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executors' intention to make a distribution.

e) Statutory funding

Income received under agreements with statutory bodies is included in these accounts on a receivable basis where a contract exists. Where no contract exists, the income is recognised in accordance with the wishes of the relevant statutory body when it becomes probable that the income will be received, and it can be measured with sufficient reliability.

f) Investment income

Investment income represents gross income derived from investments held under unrestricted funds and is accounted for on a receivable basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

h) Expenditure

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 comprise the costs of fundraising and commercial trading
- Expenditure on charitable activities is the provision of care to patients and those important to them

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include ICT, finance, facilities and governance costs and are allocated on a departmental basis.

j) Operating leases

The charity classifies the lease of retail premises as operating leases; the title to the freehold or equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where their individual item cost exceeds £5,000 and then depreciated over their economic useful lives, less residual values, as follows:

- Hospice buildings – over the expected useful life of 35 years (building refurbishments are not depreciated in the year they are undertaken, but start in the following period)
- Equipment – 25% on a straight-line basis
- Software – 25% on a straight-line basis
- Motor vehicles – 25% on a reducing balance basis
- Leasehold Shop refits – Equally over the life of the lease

The Hospice regularly reviews the projected useful life of all fixed assets to determine that the cost is fairly amortised over the expected life of the asset. The Hospice building, which includes a significant element of specialist facilities, has been reviewed with the benefit of professional advice. It is concluded that consistent with similar facilities and with the benefit of regular maintenance the existing building should have a life expectancy of 35 years from April 1999 before needing to be replaced. Similarly the Cottage Hospice has a life expectancy of 35 years from December 2019 before needing to be replaced. No depreciation is provided on freehold land.

l) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in a subsidiary company is held at cost less accumulated impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

m) Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

n) Financial instruments

Financial instruments are recognised in the Balance Sheet when Hospice in the Weald becomes party to the contractual provisions of the instrument. The group has elected to apply the provisions of section 11 “Basic Financial Instruments” of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends upon the nature and purpose of the instruments and is determined at the time of recognition. Hospice in the Weald’s financial instruments are categorised as basic financial instruments.

o) Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as “loans and receivables”. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

p) Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

q) Stock

Stocks of donated goods are not brought into these financial statements under SORP FRS 102, paragraph 6.29. Stocks accounted for are goods for resale, which are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

r) Debtors

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

s) 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.

t) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

u) Pensions

The group contributes to the NHS Superannuation scheme for nursing and medical staff, which is a defined benefit scheme treated as a defined contribution scheme, and to a defined contribution scheme in respect of its other employees. Contributions are charged in the accounts as incurred or as a liability when recognised in accordance with employment legislation.

v) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

w) Estimates and area of judgements / uncertainty

The group does not make estimates or assumptions regarding the future and has no intangible assets. All leases are operating leases.

2. Financial Performance of the charity - Incoming Resources

2.1 Core funding from statutory bodies

	2021	2020
	£	£
West Kent CCG	818,260	883,766
East Sussex Downs & Weald CCG	100,612	98,639
	<u>918,872</u>	<u>982,405</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2.2 Other grants

	2021			2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
NHSE COVID	-	2,192,060	2,192,060	-	-	-
WKCCG Pharmacy	94,692	-	94,692	104,361	-	104,361
WKCCG Continuing Care & Fees	94,398	-	94,398	159,007	-	159,007
Workforce Development Fund	9,010	-	9,010	7,215	-	7,215
Kent County Council Social Services	33,240	-	33,240	24,540	-	24,540
Kent, Surrey & Sussex Deanery	79,845	-	79,845	95,233	-	95,233
Coronavirus Job Retention Scheme Grant (Furlough)	283,934	-	283,934	-	-	-
Business Interruption Insurance Claim	574,397	-	574,397	-	-	-
Shop local council COVID grants	790,868	-	790,868	-	-	-
	1,960,384	2,192,060	4,152,444	390,356	-	390,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Commercial trading operations

	2021	2020
	£	£
Income	329,130	664,088
Cost of sales	(27,466)	(43,876)
Administrative expenses	(292,915)	(597,533)
Total expenditure	(320,381)	(641,409)
Net Profit for the year	8,749	22,679
Amount gifted to the charity	8,749	22,679

Commercial trading operations cont.

Included in income is £181,889 (2020: £422,334) of transactions between the two companies that have been removed upon consolidation being the procurement charge in regards to sales made under the gift aid scheme.

4. Investment income and interest

	2021	2020
	£	£
Bank interest	1,023	15,720
Dividends	1	207
	1,024	15,927

5. Total net incoming resources are stated after charging:

	2021	2020
	£	£
Amounts payable to the auditors in respect of: Statutory audit	25,000	18,650
Amounts payable to the auditors in respect of other services (corporation tax compliance)	3,025	8,325
Depreciation	473,456	346,268
Operating lease rentals	538,907	533,907

6. Fund-raising costs

	2021	2020
	£	£
Staff costs	389,608	420,090
Publicity	310,345	254,219
Event costs	12,913	125,409
Lottery	123,077	131,685
	835,943	931,403

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Hospice Services

Direct costs

	2021			2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Hospice in the Home	1,877,481	74,951	1,952,432	1,621,169	118,2422	1,739,411
Cottage Hospice	663,765	96,225	759,990	332,522	45,962	378,484
Counselling	274,207	-	274,207	269,050	-	269,050
Hospice Day Services	676,369	-	676,369	586,155	-	586,155
In-Patient Ward	-	2,117,109	2,117,109	2,042,295	-	2,042,295
Hospitality	443,875	-	443,875	733,583	-	733,583
Communications	43,482	-	43,482	58,749	-	58,749
Depreciation	473,453	-	473,453	329,329	-	329,329
	4,452,632	2,288,285	6,740,917	5,972,852	164,204	6,137,056

Support Costs

Indirect costs of providing Hospice Services

	2021			2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Office costs	278,961	-	278,961	319,134	-	319,134
Information technology	104,007	-	104,007	158,394	-	158,394
Accommodation	284,893	-	284,893	146,951	-	146,951
Accountancy and audit	20,175	-	20,175	18,325	-	18,325
Legal Costs	18,154	-	18,154	6,474	-	6,474
	706,190	-	706,190	649,278	-	649,278
Total Hospice Services costs	5,158,822	2,288,285	7,447,107	6,622,130	164,204	6,786,334

No Member of the Board received any remuneration, fees or reimbursement of expenses from the group during the year under review or the previous year.

No Member of the Board was associated with any contract of purchase or supply to the Hospice during the year under review or the previous year except as set out in note 22.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. Staff costs	2021	2020
	£	£
Wages and salaries	5,758,435	5,434,044
Social security costs	500,359	455,435
Other pension costs - unrestricted	506,648	479,742
	<u>6,765,442</u>	<u>6,369,221</u>
The average number of persons working for the group (excluding Trustees and volunteers) during the year was as follows	2021	2020
Medical and nursing	144	139
Counselling & Support Services	7	7
Fundraising (including Lottery)	13	14
Facilities, Catering and Housekeeping	25	23
Shops	53	52
Commercial Trading	3	5
Finance and IT	7	7
Management and administration	6	10
	<u>258</u>	<u>257</u>
The number of employees whose emoluments exceeded £60,000 was:		
£60,001 - £70,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

In respect of higher paid employees benefits were paid into a defined contribution scheme for 2 (2020:3) employees and into a defined benefit scheme for 2 (2020:1) employees. Total contributions to a defined contribution scheme in respect of these employees were £13,510 (2020: £16,045).

Key management personnel remuneration costs for the year amounted to £430,009 (2020: £425,202).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

9. Pension costs

The group contributes to the NHS Superannuation scheme for nursing and medical staff and to a defined contribution scheme for other staff. The NHS Superannuation Scheme is an approved multi-employer scheme and, as such, the charity is not able to identify its share of assets or the potential liability it may have to the scheme at the balance sheet date. Contributions payable in the accounting period are charged to the statement of financial activities as they fall due. The pension costs, classified under staff costs, represent contributions payable by the group to the schemes and amount to £506,648 (2020: £479,742).

10. Tangible fixed assets

Group	Investment	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Properties	Shop refits	Vehicles		
	£	£	£	£	£	£
At 1 April 2020	285,821	12,129,993	232,134	51,050	309,937	13,008,935
Additions	-	30,763	-	-	-	30,763
Transfer	-	(177,766)	-	-	-	(177,766)
At 31 March 2021	285,821	11,982,990	232,134	51,050	309,937	12,861,932
Depreciation						
At 1 April 2020	-	3,268,501	58,330	25,971	173,773	3,526,575
Charge for year	-	382,992	29,743	6,559	54,162	473,456
At 31 March 2021	-	3,651,493	88,073	32,530	227,935	4,000,031
Net book value						
At 31 March 2021	285,821	8,331,497	144,061	18,520	82,002	8,861,901
At 31 March 2020	285,821	8,861,488	173,804	25,079	136,164	9,482,356

Investment property comprises freehold buildings. The fair value of the investment property at 31 March 2021 is not considered to be materially different to the purchase price on 23 February 2017.

The Trustees consider the cost to be equal to the fair value at year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. Tangible fixed assets cont.

Charity	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2020	12,129,993	232,134	51,050	301,018	12,714,195
Additions	30,763	-	-	-	30,763
Transfer	(177,766)	-	-	-	(177,766)
At 31 March 2021	11,982,990	232,134	51,050	301,018	12,567,192
Depreciation					
At 1 April 2020	3,268,501	58,330	25,971	164,854	3,517,656
Charge for year	382,992	29,743	6,559	54,162	473,456
At 31 March 2021	3,651,493	88,073	32,530	219,016	3,991,112
Net book value					
At 31 March 2021	8,331,497	144,061	18,520	82,002	8,576,080
At 31 March 2020	8,861,488	173,804	25,079	136,163	9,196,534

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Fixed Assets Investments Portfolio

Group and Charity	2021 £	2020 £
Quoted and listed investments (including cash held for investment)	16,350,950	11,939,981
Quoted and listed investments comprise:		
UK managed funds with investment manager	16,350,950	10,905,305
Cash on Deposit	-	1,034,676
	<u>16,350,950</u>	<u>11,939,981</u>
Movements on quoted and listed investments:		
Market Value at beginning of the year	10,905,305	11,074,142
Additions at cost and investment fees	2,469,534	(25,330)
Disposals at carrying value	-	-
Net gain/(loss) on revaluation	2,976,106	(143,507)
Market value at the end of the year	<u>16,350,950</u>	<u>10,905,305</u>
Cash Balance at year end	<u>-</u>	<u>1,034,676</u>
Historical Cost at 31 March	<u>12,758,526</u>	<u>9,807,504</u>
Investments which comprise more than 5% of the total market value of investments at the 31 March 2021 were:		
Sarasin Alpha CIF for endowments (accumulated units)		<u>15,296,864</u>

12. Shares in subsidiary undertakings

	2021 £	2020 £
Cost of shares in subsidiary undertakings	<u>100</u>	<u>100</u>

	% of Ordinary Shares held	Country of incorporation
Hospice in the Weald (Trading) Limited	100%	England and Wales

Hospice in the Weald (Trading) Limited, company no 1886504, has assets of £426,864 and liabilities of £422,840.

13. Stocks

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Goods for resale	<u>13,754</u>	<u>11,056</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14. Debtors

	Group		Charity	
	2021	2020	2021	2020
Other debtors	109,775	186,622	109,775	189,989
Trade debtors	21,375	44,347	8,651	28,877
HITW (Trading) Ltd	-	-	417,918	769,896
Accrued income	254,000	175,287	254,000	175,287
Prepayments and deferred costs	172,020	173,811	172,020	173,811
	<u>557,170</u>	<u>580,067</u>	<u>962,364</u>	<u>1,337,860</u>

The advance to Hospice in the Weald (Trading) Limited is in order to fund the fixed and working capital requirements of that company and carries interest at current market rates.

15. Creditors

	Group		Charity	
	2021	2020	2021	2020
Amounts due within one year	£	£	£	£
Trade creditors	294,743	373,934	294,742	373,934
Other Creditors	21,017	19,349	16,095	19,349
Other taxation and social security creditor	139,117	-	139,117	-
Pension accrual	4,206	9,778	4,206	9,778
Accruals	73,897	120,762	73,897	120,762
Deferred income	64,540	68,267	64,540	68,267
	<u>597,520</u>	<u>592,090</u>	<u>592,597</u>	<u>592,090</u>
Deferred Income			2021	2020
			£	£
Brought forward			68,267	90,281
Deferred income			64,540	68,267
Spent			(68,267)	(90,281)
Carried forward			<u>64,540</u>	<u>68,267</u>

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place and We:train courses which are released as and when the course takes place.

16. Financial Instruments

Financial Instruments - Group

	2021	2020
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	16,350,950	11,939,981

Financial Instruments - Charity

	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value through profit loss	16,350,950	11,939,981

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Movement in funds

Group	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31 March 2021 £
Unrestricted funds					
General fund	6,633,314	8,671,901	(7,308,731)	(654,428)	7,342,056
Designated funds					
Hospice Fixed Assets	9,196,531	30,763	(651,221)	-	8,576,073
Hospice Building Funds	7,822,233	-	(177,766)	2,630,533	10,275,000
Children's Services Fund	-	-	-	500,000	500,000
ICT Infrastructure	-	-	-	500,000	500,000
Total designated funds	17,018,764	30,763	(828,987)	3,630,533	19,851,073
Restricted funds	96,225	2,192,060	(2,288,285)	-	-
	23,748,303	10,894,724	(10,426,003)	2,976,105	27,193,129

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Movement in funds cont.

Charity	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31 March 2021 £
Unrestricted funds					
General fund	6,629,389	8,533,408	(7,170,237)	(654,428)	7,338,132
Designated funds					
Hospice Fixed Assets	9,196,531	30,763	(651,221)	-	8,576,073
Hospice Building Funds	7,822,233	-	(177,766)	2,630,533	10,275,000
Children's Services Fund	-	-	-	500,000	500,000
ICT Infrastructure	-	-	-	500,000	500,000
Total designated funds	17,018,764	30,763	(828,987)	3,630,533	19,851,073
Restricted funds	96,225	2,192,060	(2,288,285)	-	-
	23,744,378	10,756,231	(10,287,509)	2,976,105	27,189,205

Designated Funds: Hospice Fixed Assets corresponds to the net book value of the Hospice's fixed assets. The Hospice Building Funds are monies designated for future development plans including a second Cottage Hospice and development of the land next to the Hospice.

Restricted Funds: All restricted income has been raised via the Cottage Hospice appeal were spent in accordance with that project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

18. Analysis of group net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Group 2021				
Fixed assets & investment properties	-	8,861,901	-	8,861,901
Investments	5,361,778	10,989,172	-	16,350,950
Current assets	2,572,875	-	-	2,572,875
Current liabilities	(592,597)	-	-	(592,597)
	<u>7,342,056</u>	<u>19,851,073</u>	<u>-</u>	<u>27,193,129</u>
Charity 2021				
Tangible fixed assets		8,576,080	-	8,576,080
Investments	5,075,957	11,274,993	-	16,350,950
Shares in subsidiary company	100	-	-	100
Current assets	2,854,672	-	-	2,854,672
Current liabilities	(592,597)	-	-	(592,597)
	<u>7,338,132</u>	<u>19,851,073</u>	<u>-</u>	<u>27,189,205</u>
Group 2020				
Fixed assets & investment properties	-	9,482,356	-	9,482,356
Investments	4,403,571	7,536,410	-	11,939,981
Current assets	2,821,831	-	96,225	2,918,056
Current liabilities	(592,090)	-	-	(592,090)
	<u>6,633,312</u>	<u>17,018,766</u>	<u>96,225</u>	<u>23,748,303</u>
Charity 2020				
Tangible fixed assets		9,196,534	-	9,196,534
Investments	4,117,749	7,822,231	-	11,939,980
Shares in subsidiary company	100	-	-	100
Current assets	3,103,629	-	96,225	3,199,854
Current liabilities	(592,090)	-	-	(592,090)
	<u>6,629,388</u>	<u>17,018,765</u>	<u>96,225</u>	<u>23,744,378</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

19. Operating leases

	2021	2020
	£	£
At 31 March 2021 the group and charity were committed to:		
Leases which expire - within one year	538,907	533,907
- within 2 to 5 years	1,215,161	1,496,685
- after 5 years	314,231	504,114
	<u>2,068,299</u>	<u>2,534,706</u>

20. Reconciliation of net income to net cash flow from operating activities

	Group	
	2021	2020
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	3,444,826	1,238,988
Adjustments for:		
Depreciation charges	473,456	346,268
(Gains) / losses on investments	(2,976,105)	143,507
Dividends, interest and rents from investments	(1,024)	(15,927)
(Profit) / loss on the sale/disposal of fixed assets	177,766	-
Decrease / (Increase) in stocks	(2,698)	1,669
Decrease / (increase) in debtors	22,893	237,559
Increase / (Decrease) in creditors	5,430	(314,558)
	<u>1,144,544</u>	<u>1,637,506</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	Charity	
	2021	2020
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	3,444,826	1,238,988
Adjustments for:		
Depreciation charges	473,456	346,268
(Gains) / losses on investments	(2,976,105)	143,507
Dividends, interest and rents from investments	(1,024)	(15,927)
(Profit) / loss on the sale/disposal of fixed assets	177,766	-
Increase / (decrease) in debtors	375,496	655,067
Increase in creditors	503	(203,685)
	<u>1,494,918</u>	<u>2,164,218</u>

21. Members' liability

Hospice in the Weald is a company limited by guarantee, with no share capital. Every member undertakes to meet the liabilities of the company in the event of its being wound up. The potential liability of each member does not exceed £1. Total guarantees at 31 March 2021 were £25 (2020:£25).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Related party transactions

J Ford is a trustee of the charity and a partner in Cripps Pemberton Greenish, purchases of £1,066 (2020: £14,209) were made from Cripps Pemberton Greenish during the year for advice regarding NHSE grant repayments. There was no outstanding balance at year end (2020: £nil) and no provision for doubtful debts has therefore been made.

Included in total expenditure is £2,400 (2020: £7,230) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited that have been removed upon consolidation. £2,400 (2020: £2,400) is for shared office facilities at the Hospice building.

Included within debtors in the Charity balance Sheet is an amount of £ 417,918 (2020: £747,217) owed by Hospice in the Weald (Trading) Limited, a wholly owned subsidiary of Hospice in the Weald. This balance was eliminated on consolidation.

Related party transactions are carried out on an arm's length basis.

23. Capital Commitments

At 31 March 2021 the group had a capital commitment of £575,000 for the purchase of The Shepherd's House, Five Ashes completed in April 2021 (2020: £nil).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD

Opinion

We have audited the financial statements of Hospice in the Weald (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash Flow Statements and notes to the financial statements, including 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 the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

Other information

The other information comprises the information included in the Annual Report other than the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have 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 Directors' Report or the Strategic Report included within the Trustees' Report.

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

- adequate accounting records have not been kept 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.

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

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The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014, Care Quality Commission regulations and UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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.

RSM UK Audit LLP

NICHOLAS SLADDEN (Senior Statutory Auditor)
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Date: 8 November 2021