

Registered number: 01505753
Charity number: 280681

ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

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**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees	Ms F Allen (resigned 28 May 2025) Mrs L Annear Mr S Carter Mrs N Duncan Mrs J Edge Mrs F Field Mr N Green (appointed 21 May 2024) Mr J P Henniker Mr J Henniker Mrs H Hocking, Treasurer Mr D N Thomas, Chair Dr M Walker, Deputy Chair Mr W Warrender
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Company registered number	01505753
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Charity registered number	280681
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Registered office	St Lukes Hospice, Stamford Road Turnchapel Plymouth Devon PL9 9XA
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Company secretary	Susan Cannon
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Chief executive officer	George Lillie
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Bankers	Santander Bridle Road Bootle L30 4GB
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Solicitors	Foot Anstey Solicitors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
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**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

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

Structure, Governance and Management of the Charity

The Board presents its Trustees' Annual Report, Directors' Report and the audited consolidated financial statements for the year ended 31 March 2025 as required by company law. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 and 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 published on 1 January 2019.

St Luke's Hospice Plymouth is a company limited by guarantee and not having a share capital. It was incorporated on 29 May 1980. It is a charity registered in England and Wales. The maximum liability of each member on the winding up of the company is £1.

There are currently 12 trustees of the charity. Individuals must sign a consent form on becoming a member. Every member will further the objects so far as practicable and observe any standing orders, rules and regulations issued in the Articles of Association of the charity. The trustees are appointed as members of the charity. Full responsibility for the running of the charity is vested in the trustees, who by reason of the incorporation of the charity are also directors of the company.

The Board of Trustees is the Governing Body. The Board meets to agree business plans and annual operating plans and to monitor performance against them. It sets the ethos, aims, policies and limits of authority. It appoints and provides support and direction to its senior executives (the senior management team or SMT) and has a formally agreed governance policy that is reviewed annually. The services delivered by St Luke's are registered with the Care Quality Commission (CQC). In pursuit of its charitable objectives, St Luke's Hospice Plymouth works in partnership with other local hospices and Hospice UK which is the national charity for hospice and end-of-life care.

Chair:	Mr David Nicholas Thomas CPFA
Treasurer:	Mrs Helen Hocking CPFA
Senior Executives:	
Chief Executive	Mr George Lillie RGN RMN BSc. MSc
Director of Clinical Services	Mrs Patricia Davis RN1, Registered Health Visitor, MSc Primary Care
Deputy CEO & Director of Finance & Resources	Mrs Susan Cannon CPFA
Commercial Director	Mr Michael Dukes (left 2 March 2025). Position currently vacant.
Director of People Services	Ms Adrienne Murphy FCIPD, MA Strategic Human Resource Management

**ST. LUKE'S HOSPICE PLYMOUTH
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees

The following trustees, who are also Directors, served during the year:

Ms F Allen (c,g,h)
Mrs L Annear (e,i)
Mr S Carter (d,e)
Mrs N Duncan (g,h)
Mrs J Edge (a,c,f)
Mrs F Field (a,g,h)
Mr N Green (a,e)
Mr J Henniker (a,e,f)
Mr J P Henniker (b,g,h)
Mrs H Hocking (b,d,f,i)
Mr D N Thomas (b,i)
Dr M Walker (b,c,d)
Mr W Warrender (a)

The trustees of St Luke's Hospice Plymouth serve on a number of Board committees as follows:

- a. BEESafe Health & Safety Committee
- b. Chairs' Governance Committee
- c. Clinical Review Group
- d. Finance and Audit Committee
- e. Income Generation Group
- f. Organisational Risk and Internal Audit Committee
- g. People and Transformation Committee
- h. Reward and Remuneration Committee

Three trustees are also directors of the wholly owned trading subsidiary:

- i. SLH Ventures Ltd

In addition, a number of trustees attend operational groups.

Recruitment and induction of trustees

Periodically the Governance Committee may decide it appropriate to conduct a skills audit of the current trustees before we carry out any formal recruitment process. The objective of a skills audit is to analyse the existing trustees' skills, knowledge, and experience to identify gaps within the Board.

The organisation will use this information in several ways:

- To pool the talents of the trustees to deal with specific issues or when forming committees or project groups to ensure we use trustees' qualities and attributes effectively
- To identify gaps in knowledge and skills in order to consider any training or development interventions
- To target the recruitment of further trustees to the Board based on the skills or knowledge gaps
- To monitor the inclusivity and diversity of the Board and, if appropriate, target recruitment to the wider community

The Chair's Governance Committee will look at a broad range of selection methods, such as general advertising, linking into volunteering websites, or targeted recruitment for specific skills such as Treasurer etc, or under-represented groups.

**ST. LUKE'S HOSPICE PLYMOUTH
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

In all cases an information pack is sent out with a covering letter from the Chair and may include the Articles of Association, the latest financial statements, the guide to being a trustee, a trustee role profile and background information on St Luke's.

At this stage we would also gain confirmation that the applicant is not legally barred from being a charity trustee. Interested parties will be able to visit the hospice and to meet the SMT.

The pack will also include an application form. Suitable applicants will be invited for an interview with at least two trustees from the Chair's Governance Committee. Other trustees may stand in if there are conflicts of interest or trustees are unavailable. Following the interview, the chair will either:

- invite them to attend the next trustee meeting, and possibly come early to meet other trustees
- thank them for their interest and offer them alternative volunteering opportunities, or request permission to hold their details on file pending an appropriate vacancy

Details of the potential trustee will be circulated to the Board of Trustees in advance of the Board of Trustees meeting and any trustees wishing to meet them may do so at or before the Board of Trustees meeting. Any feedback or concerns will be notified to the chair.

The chair will normally make the invitation to membership of the Board of Trustees after confirmation that the potential trustee is still interested and approval by the Board of Trustees following attendance. References will be obtained by the Chief Executive's office and a formal DBS (Disclosure and Barring Service) check will be carried out. Once appointed, a member is a trustee under the Charities Act and a director under the Companies Act.

All new trustees will be provided with an induction programme appropriate for their role and interests, and will be assigned a "buddy" from the existing trustee Board and also a member of the SMT.

All trustees are required to complete St Luke's mandatory online training modules within three months of joining the organisation.

Objectives and activities of the charity

St Luke's Hospice Plymouth is a registered charity, a company limited by guarantee and is registered with the Care Quality Commission.

It is governed by a Board of Trustees comprising up to 14 trustees/directors who normally meet six times a year and who also participate in several sub committees and operational management groups. Day to day management is vested in the Chief Executive, who reports directly to the chair of trustees.

The principal object of the charity, as defined in the Articles of Association, is to relieve sickness amongst people suffering from terminal illness, in the city of Plymouth and surrounding districts. St Luke's core service is the provision of specialist palliative care for the population of Plymouth, South West Devon and South East Cornwall - a population in excess of 450,000. We work in partnership with others, delivering the education and support required to ensure the provision of excellent end-of-life care.

The Charities Act 2011, Section 4 requires charities to have due regard to public benefit. The trustees have reviewed the aims, goals, services and objectives of the charity in the light of this requirement and can confirm that St Luke's Hospice Plymouth serves for the public benefit. This Trustees' Report continues to evidence how the charity strives to meet need.

Our Vision

"A community where no person has to face dying alone, in pain or in distress." Our vision is a far-reaching aim towards which everyone involved in end-of-life care should strive. St Luke's vision provides an underlying service of purpose for staff, volunteers and stakeholders.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Our Mission

"We work within our community in partnership with others to achieve dignity, comfort and choice for people affected by a life-limiting illness, by delivering and influencing exceptional care." Our mission sets out what St Luke's role will be in helping to enable our vision to be realised. This mission gives greater prominence to not just the direct delivery of end-of-life care, but also exerting even more influence upon others involved in end-of-life care by bringing our experience and expertise to the work of health and social care professionals.

Our Values - Professionalism, Respect, Compassion, Integrity

At St Luke's we are proud of, and passionate about our history and the care we provide. This has been achieved by the hard work, dedication and commitment of all the staff and volunteers who have made St Luke's what it is today. Our values are at the core of all our services. They inspire us and drive us, to ensure we provide the best possible care to as many local people as we can reach, living and dying with a terminal illness.

Annual Report

Reflecting on the past year, we have continued to deal with the impact of an economy that has shown sluggish growth, with GDP flat in the second half of 2024. Overall inflation has remained high with cost of food, energy, and insurance all increasing throughout the year. Following a general election in July 2024, we saw a change in government and promises of sweeping reforms to health through the creation of a 10-year plan. The NHS has continued to face significant pressures with record waiting lists, ongoing staff shortages and industrial action by healthcare workers.

Our local health and social care system remains challenged, particularly in relation to unplanned and emergency care, and the Devon Integrated Care Board/System (ICB/ICS) remains in the NHS England recovery support programme due its financial position. We have been working closely with the ICB, alongside our fellow hospices in Devon, to help shape their medium to long-term commissioning plan for end-of-life care. As part of this work, we have been clarifying commissioning intentions and informing the development of a costing model for future specialist end-of-life provision.

As Devon hospices, we sought short-term financial support for the 2025/26 financial year due to a substantial rise in staffing costs from April 2025. This was driven by a sharp increase in the National Minimum Wage, higher employer National Insurance contributions, and a reduction in the earnings threshold at which these contributions become payable. Despite much reassurance, this support has not materialised and with the ICB's current financial position we have been advised we will see no increase in our funding over the next two to three years unless provided nationally.

Alongside our local efforts, we have been actively engaged with our membership body (Hospice UK), in driving the national campaign to gain a fairer funding model from the government to ensure the long-term sustainability of hospices. This campaign has been successful in part with the commitment and release of capital funding from the Department of Health and Social Care (DHSC) of which we have received £179,000 for 2024/25 and are likely to receive £527,000 in additional funding for 2025/26. Work continues to address the funding of increasing operational costs and there is commitment from government that this will be addressed as part of their 10-year plan for reform of the NHS, due to be released in summer 2025.

This year has been a historic one with the introduction in October 2024 of a Bill to legalise assisted dying in England and Wales and its progression through parliament. As with Hospice UK and most other hospices, we have maintained a neutral position on the issue of assisted dying, but we have started to discuss internally the impact for our staff and our organisation should the Bill be passed into law and implemented in the next two to four years. This important issue has not only impacted the patients and families we serve but has also had a direct effect on St Luke's staff and volunteers.

Despite these challenges, our clinical services have continued to respond to the demands placed on them, with St Luke's supporting an increasing number of people through the year. We have continued to build on our partnerships with commissioners, NHS provider organisations and colleagues from hospices within Devon and the wider South West region so we can remain best placed to ensure end-of-life care remains high on the agenda within a challenged health and social care system.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

During the year, our well-established income generation streams have continued to perform well despite sluggish growth in the economy. New initiatives, trading under the b.kinda brand, aimed at providing alternative sources of income to help fill our growing funding gap, have sadly not performed. Following the closure of our mystery clothing box scheme in March 2024, we made the difficult decision to close our b.kinda coffee shop. It ceased trading in January 2025 due to continued poor financial performance and a lack of sustainable growth.

While we continue to explore alternative income opportunities as they arise, our focus over the next 18 months will be on strengthening and maximising our established income streams. All income-generating activities will remain under close review by the relevant sub-board committees, with corrective actions taken as necessary.

Our greatest asset as an organisation has always been our people. This year, we have been especially mindful of this, with the ongoing rise in the cost of living having a tangible impact on our staff and their families. Our People Services team has worked tirelessly to provide practical support and tools to help our staff manage these pressures and feel better equipped in the face of ongoing challenges.

Initiation of the process to recruit a permanent CEO for the organisation was approved by the Board of Trustees in September 2024. Following a comprehensive national recruitment campaign, George Lillie, our seconded CEO, was appointed to the substantive role in November 2024.

As a charity, we remain steadfast in our commitment to providing high quality end-of-life care, delivered with professionalism and compassion, and our goal is to ensure that no one in our community has to face death alone, in pain, or in distress. We are proud to report another successful 12 months of service. In the year ending 31 March 2025 the charity saw a significant number of new patient referrals, which contributed to the delivery of 3,822 individual episodes of care.

The total cost of providing our clinical services for the year was £7,820,818, compared to £7,690,905 in the previous year.

Highlights from the past year:

Following a CQC review in September 2024, we are proud to retain our overall rating of "Outstanding", with exceptional ratings in the following areas of assessment: Caring, Effective, Responsive, Well-Led and a "Good" rating in Safety. The inspectors highlighted consistently positive feedback from both patients and other healthcare providers. Patients and their families spoke highly of the staff, expressing that they felt supported and treated with warmth and kindness. The inspectors also noted that care was delivered by qualified and experienced teams who collaborate closely with other organisations to ensure a seamless and well-coordinated patient journey.

To enhance the physical environment for patients and their families at our specialist unit at Turnchapel, we invested in a significant revamp of our ward garden. In collaboration with garden designer Bruce Dorey and Devon-based contractors Urban Earth SW, we transformed the under-used space to better meet the needs of our patients. Improvements included creating dedicated areas where up to three beds can be wheeled outside, allowing patients to enjoy quality time with their families in the fresh air, and lighting that allows the garden to be enjoyed at night. We also restocked with a diverse range of plants, many designed to attract bees, butterflies and other pollinators, ensuring the garden remains vibrant and visually appealing throughout the year.

Investing in our people across the organisation is integral to our goals. Celebrating individual and team achievements of our staff and volunteers, we held our inaugural recognition awards ceremony, attended by more than 60 staff and volunteers. Overwhelmingly positive feedback from attendees and across the organisation, this will now be an annual event.

To make sure our organisation can continue to adapt and thrive in an ever-changing world, we conducted an external review of how the Board and its sub-committees should function. As a result of this we will introduce a new sub-committee board structure during 2025/26, closely aligned with our strategy, enabling both trustees and staff to focus more effectively on key priorities. Additionally, we will establish a Future Hospice Committee, dedicated to forward thinking and exploring opportunities for sustainability and growth in the years ahead.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Our flagship fundraising events continued to perform well in 2024/25, with outstanding support from our staff, volunteers and participants. Midnight Walk 2024 returned to pre-Covid levels of 1,200 entrants, raising £125,000. Our 2025 Men's Day Out attracted 2,500 walkers, our highest number to date, and brought in £185,000.

We continue to be grateful for financial and in-kind support received from major sponsors. Our excellent relationships with philanthropic commercial supporters peaked with local firms gifting opportunities that included a special partner event at Plymouth Argyle FC in March 2025, as well as ongoing match day experiences for patients and their guests. Other partnership fundraising flourished, with in-aid-of events supported by our in-house team; a charity ball held in conjunction with business partners raising a record £37,500. We also saw an all-time high of 92 people taking part in Britain's Ocean City Running Festival to support St Luke's.

The Lottery draw exceeded its target, with profitability at a strong 67%. Our Open Gardens scheme saw larger numbers of visitors and a higher return per venue, and our Sponsor a Nurse campaign generated 111 new donors. Following full product reviews, the spring In Memory mailing and pre-Christmas Light up a Life campaigns both outperformed 2023/24. We also saw a 3% rise in the number of fundraisers during 2024/25 and new customer relationship management system ThankQ improved delivery of effective, targeted campaigns and donor management.

Financial review

The financial year 2024/25 ended with a deficit of £648,886. This is an increase in the deficit when compared to the budgeted deficit that was set at £570,884 for 2024/25. Due to the volatility of our income streams, there were many fluctuations during the year with fundraising seeing a very high level of donations, and bequests coming in £0.1m over budget. Retail saw a significantly reduced contribution compared to budget ending the year more than £0.6m under budget due to challenging retail sector conditions and significant reductions in the price of rag sent to textile merchants. Planned spending from designated reserves has meant that the year ended with a reduction in our overall reserves balance of £648,886.

Funding for the hospice comes from a number of sources but is mainly generated by our internal income generation teams and legacies. Our total income was £13,005,753, with basic NHS funding provided at £3.0m (23%) in the year, the charity itself generated £4.0m (30%) from donations and legacies and £5.2m (40%) through trading activities, and an additional £0.4m (3%) came from investment returns. The remaining 4% is from other activities including specific clinical or education projects.

Of the £7.8m we spent on clinical services, £3.0m (39%) was funded through the NHS, mainly via the local Integrated Care Boards (ICBs) either under a grant agreement or contract for services. The remainder was generated through the generosity of the public, for which we are immensely grateful. The majority of our NHS funding comes to us via a grant agreement with Devon ICB and this element represents 32.9% of the cost of our clinical services, or 19.8% of our total income for the year.

Retail's contribution to the charity after direct costs, was £1.0m which was significantly less than we anticipated, however fundraising efforts returned £0.3m more than budgeted, with incredibly strong results in a number of areas. Legacy income was strong at £2.0m. Our lottery team also had a successful year with a contribution after costs of more than £0.5m, which was significantly better than budget, however increased efforts are required to maintain and grow player numbers.

Our strategy of opening larger retail shops continues to pay off. In the year we opened new larger premises in Ivybridge. Our flagship events - Midnight Walk, Tour de Moor and Men's Day Out - were all very well attended and enjoyed.

The organisation made an overall loss of £648,886 (2024 – loss of £274,238), which is after including gains on investments of £116,456 (2024 – gain of £322,639). The year end position was achieved after charging depreciation of £438,242 (2024 - £397,199) funded by designated reserves.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Trading activities have seen an increase of approximately 9% on last year's levels. Overall, income from trading activities reduced from £5,246,663 in 2023/24 to £5,236,613 in 2024/25.

Donations and legacies achieved £3,958,252 in the year compared to the previous year's £3,882,263. This is a strong income source for the hospice but one that is known to be very volatile and requiring careful monitoring. In 2024/25 the hospice recognised total bequests of £1,999,907 (2024 - £2,109,536) in the year, against a budget of £1,900,000. For pecuniary legacies, the recognition point is normally when notification of the grant of probate is received, and residuary legacies are normally recognised when draft estate accounts are available or other suitable information which allows the legacy to be measured with reasonable accuracy. Legacy income of £339,823 has been recognised as income in the accounts which will be received after the year end.

The cost of raising funds, excluding investment costs, rose from £5,911,779 to £5,950,277 an increase of 1% in the year. This was due in the main to increases in the National Living Wage and the introduction of additional shops.

Many of the charity's shops are leased and the related contracts require certain levels of repairs and decoration to be undertaken prior to the premises being returned at the end of the lease. We set aside a provision to meet existing liabilities in relation to these leases. Continued review of our retail operation results in annual fluctuations to this provision which now stands at £264,250 (2024: £247,212). The amounts have been estimated based on the known works that would be required if premises were returned in present condition, and values have been calculated by our facilities team, along with guidance from a firm of quantity surveyors. Further details are shown in Note 19.

Following the deficit of £648,886 in the year, total reserves have reduced to £12,976,971 (2024 - £13,625,857). This level of reserves places the hospice in a good position to tackle the significant underlying deficits we face over the medium term. We have budgeted for a deficit in 2025/26 and growing deficits over the following years because of the continuing rise in employment costs particularly as we strive to recruit and retain the necessary staff resources to deliver our services to the high standards we are renowned for.

We aim to bring these anticipated deficits back to a break-even position over the next three years through the implementation of our Deficit Recovery Plan. The hospice's strategic ambition of sustainability may require us to reduce services over the next five years to continue to deliver our excellent standards of care within the financial resources we have.

Designated Reserves

We continue to designate funds for service-based and invest-to-save projects which will be used to broaden our reach to a wider population and to invest in the continuous improvement of our services. In line with our strategy, we will invest in technology to continually improve the care we provide. Last year we have consolidated our designated reserves across our four new strategic aims of:

- Quality
- Partnerships
- People
- Sustainability

Financial sustainability is one of our key strategic objectives, however the hospice is currently in the position where our operating costs are exceeding our income by circa £1m. We have therefore instigated a Deficit Recovery Plan (DRP) which will bring together various actions that will have either an impact on growing our ongoing income or reducing our ongoing expenditure over several phases. With our current plans, it is not forecast for the charity to reach an ongoing breakeven position until 2027/28, hence we have transferred £1.2m into our Sustainability Reserve to meet the unfunded balances of these future years' deficits. This will enable us to operate without the need to instigate unplanned savings measures. We continue to designate reserves to smooth the impact of our annual bequest income, which can be difficult to predict with any certainty.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

During the year we used our designated funds to fund £0.292m of spend on our four Strategic Objectives Designated Reserves: for projects such as East Cornwall pilot, Inclusion Co-ordinator, Organisation Development initiatives, support for Phase 2 (P2P) of the Finance System project, Clinical Data analyst, Corporate Governance Review, as well as some residual costs from older projects such as Integrated Care Facilitators, Pastoral Care co-ordinator etc. Following additional designations in the year to support our anticipated deficit budgets, this leaves a combined balance of £2.358m in our Strategic Objective Designated Reserves.

We are on year three of our five-year capital plan. Spending on capital has been boosted with the two-year capital grant that has been awarded from the Department of Health and Social Care and administered through Hospice UK. The 2024/25 allocation for £179,000 has helped us to carry out much needed improvements to our gardens and grounds; we are delighted that our ward garden saw a total transformation last year including new paving, landscaping, quality planting and garden furniture installed for our patients and families to use. We have been notified of our grant for 2025/26 of £527,000 which will be spent on various capital initiatives to improve facilities or to generate resources to support our patient care.

Following movements in the year, our general funds have reduced from £4,844,005, to £3,728,283, a reduction of £1,115,722.

Our unrestricted funds, which are made up of free and designated reserves, are £12,938,623. This is a reduction of £623,091 from the previous year's balance of £13,561,714. This includes the investment revaluation reserve; although investments are held on a long-term basis, the portfolio is considered to be readily convertible and as such is included when calculating free reserves. Designated reserves, if uncommitted, can be undesignated should circumstances change and hence can be deemed as usable. As at 31 March 2025, free and uncommitted reserves represent nine months of expenditure, based on the organisation's total budgeted running costs for next year. This is in line with the previous year.

The charity's reserve policy reflects a risk-based approach. Pre-Covid, free reserves of at least £2.6m were required. This increased temporarily to £4.5m because of the initial and severe uncertainties the pandemic had on St Luke's finances. It is now at a level of £3m minimum risk requirement as we address the perceived risks within the hospice's finances. We are pleased to note that we are in excess of the minimum requirement.

Despite a deficit in the year, it was expected and is in line with our journey to bring the charity's income and expenditure back into balance by 2027/28. This reflects the determination of both the board and the Senior Management Team to ensure that the organisation remains financially sustainable in the long term. It must be acknowledged that the hard work and dedication of all our staff and volunteers has been the overriding reason for the successes of the past year.

Performance of our Clinical Services

During the year ended 31 March 2025, we received 2,011 new patient referrals, resulting in the delivery of 3,822 individual episodes of care. This compares with 4,298 episodes of care in the previous year. The 476 decrease of episodes of care is mainly due the six months loss of activity from the hospice hospital team who left St Luke's employment on 1 October 2024 and are now directly employed by University Hospitals Plymouth NHS Trust. We continue to work closely on a daily basis, united in our goals to provide high quality palliative and end-of-life care to patients and their loved ones.

While our local health and social care system in Devon remains extremely challenged, St Luke's clinical services continue to actively engage with partners to support the delivery of end-of-life services for our patients. This is evident from the increase in referrals to our services and the heartfelt messages of thanks we receive from them each week.

The highlight of 2024 was being informed by the Care Quality Commission (CQC) that we had retained our rating of 'Outstanding'. Between September and November 2024, the CQC carried out a formal assessment of clinical services. Retaining the overall rating of "Outstanding" is testament to the hard work and dedication of

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

all staff and volunteers. Given the pressures in the current healthcare system we were especially pleased that the CQC noted "the service consistently received positive feedback from both patients and other staff from providers the service worked with" and that CQC "observed the service engaged with other partners and local community groups to help drive and share good practice in end of life care".

In the past year we received 375 items of patient or family feedback, 260 responses through our 'I Want Great Care' patient survey and 115 written compliments. We were delighted to achieve a 12-month average rating of 4.9 out of 5 from our patient survey provider, who presented us with a Certificate of Excellence for 'consistently attaining outstanding patient feedback.'

We received seven complaints across all parts of St Luke's clinical services in the last year. All complaints are investigated with the intent of listening to an individual's experience to fully understand what did not go as they had wished and to identify areas for our improvement.

St Luke's was awarded Veteran Aware Status in February 2023 and we were delighted to maintain our accreditation following reinspection in March 2025. The accreditation team particularly noted St Luke's article on veteran support which was published on the national Hospice UK website in November 2024.

We continue to embed the principles and tools promoted as part of the Patient Safety Incident Response Framework (PSIRF). This includes use of reflect and learn sessions, supporting staff to become more familiar with SEIPS tools and systems thinking approach. We have initiated work with our key partner organisations to see how we can be more efficient and effective and learn together at system level. Acknowledging that patient pathways cross organisational boundaries, we feel our learning and improvement efforts should also reflect this.

In autumn 2024 the quality team and Specialist Unit clinicians held a 'reflect and learn' event to review and improve the management of inpatients' tissue viability. This resulted in a further reduction to the already low number of newly-acquired pressure ulcers which has been maintained for the past six months.

St Luke's Community Development team have continued to work with partners to support conversations and understanding of death, dying and bereavement, providing light touch support to local groups to establish compassionate cafes across Plymouth, South West and West Devon and East Cornwall. The team worked with Plymouth's Community Research initiative to facilitate a national 'Hospice Community Development' network which has now grown to a collaborative of 37 hospices.

A core initiative has been leading the Compassionate Schools Programme in Plymouth which continues to expand across the city and is now working with primary, as well as secondary, schools on their request. Collaboration with children's bereavement charity Jeremiah's Journey is planned for 2025/26.

Our Patient and Family Support Service has supported 3,155 patients and family members with 1,184 of those held as in-person meetings. We remain grateful to our skilled Befriending and Bereavement volunteers who supported 334 contacts on behalf of the team. Through our Patches service the team have worked with 81 children and their families, and supported education to support pupils in their school setting.

The St Luke's End of Life Coordination Hub launched in March 2025. This is a rapid response phone service to reassure callers that their concerns have been heard, to give assistance to resolve these concerns, and generate a timely response to prevent unnecessary hospital admissions. The service supports both patients and professionals and is poised to confirm St Luke's position at the heart of end-of-life care in Plymouth and the surrounding area. The hub will initially operate 7 days a week, 8am to 8pm. To support the coordination hub staff with prioritising calls we have fully implemented the Gold Standard Framework (GSF) prognostic indicator assessment tool for all patients under St Luke's care. This assists staff to direct resources to patients in greatest need and who have limited time available.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

It was with great pride that we celebrated the announcement in November 2024 of our second Queen's Nurse award. This coveted title is held by only 2,500 nurses in the UK and represents a commitment to the highest standards of patient care, learning and leadership.

As the end-of-life leader in our local health and social care system St Luke's has promoted and endorsed the use of the Devon-wide electronic Treatment Escalation Plan (E-TEP), being the first Devon hospice to introduce this into our daily practice.

Cost of Clinical Services

The total cost of our clinical services provision was £7,820,818. The following table gives a summary of our clinical activity during the year.

<u>Our clinical activities</u>		
In Patient Care	2025	2024
Patients - See Note 1 below	231	*250
Admissions	245	267
Deaths	185	210
Discharges	58	48
Occupied bed days	3203	3313
% Occupied	73%	75%
Average length of patient stay (days)	13	12
Community Services (Including PFSS, AHP & IC patient support)	2025	2024
Patients - See Note 1 below	1940	1826
Patient/Carer visits	6682	5073
Patient/carers phone calls	9948	10167
Professional liaisons	3670	4981
EoL in the community, including Care package	2025	2024
Patients - See Note 1 below	820	758
Accepted referrals	928	877
Patient visits (by professional)	18314	19190
Hospital Services and Medical Outpatients	2025	2024
Hospital SPC service		
Patients referred - See Note 1 below	774	1399
Support contacts	2213	5452
Medical Outpatients		
Patients	57	65
Attendances	55	67
Other Clinical support	2025	2024
Bereavement Support Contacts (including telephone calls)	3675	2284
Education	2025	2024
No of internal individuals trained in the year	1494	1196
No of external parties/individuals trained in the year	443	450

Note 1 - In rare cases there may be a slight chance of double counting

NB - The prior year comparison marked with an asterisk (*) has been restated

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Risks

Recruitment and retention of key staff remains challenging, and we continue to explore all options to widen our pool of candidates. We are also implementing a new HR system to streamline and improve the process for both applicant and recruiting manager. We proactively implement initiatives to support health and wellbeing of our staff and create a positive culture, and that is positively impacting on retention and our desire to remain an Employer of Choice.

Our predictions for expenditure are exceeding our income predictions, hence the forecast deficit of more than £1m expected next year. Our deficit recovery plan considers options for additional income generation and action plans to reduce costs across the organisation.

Retail and fundraising teams continue to perform exceptionally well in a slow-growing UK economy, however, the medium- to long-term impact on the high street and fundraising events remain unknown. We therefore continue to be cautious in our budget assumptions for future years. We are facing a period of economic unpredictability, as well as facing competition in general fundraising activities and public support for other charities. We acknowledge that income generation is getting increasingly challenging, and we are putting measures in place to manage this risk and will continue to explore diversifying our income streams.

It is critical that we maintain our IT systems at optimal levels. We are already moving to cloud-based solutions and engaging in a programme to obtain the highest accredited industry level of cyber security.

Working in a challenged health and care system locally, it is imperative that we adapt our model of care to the needs of the local population and support change in the wider system. Delivering end-of-life care is our speciality and we must stress the added value of our charitable funding. While we have built up the trust and respect of government, local donors and agencies over decades, we must continue to protect our reputation and brand.

Commissioners are increasingly looking for efficiencies and value for money in the services we deliver. It is essential to keep demonstrating the scope of our reach and further develop patient outcome measures to show the difference we make through our intervention.

In Devon we have an ageing population. Projections suggest the number of residents aged 65 to 84 will grow by 18% by 2035. The number of adults aged over 85 is expected to grow by as much as 52%. Meeting increased end of life care needs without significant additional funding will be challenging. We need to consider appropriate partnerships and collaboration with existing providers, ensuring appropriate agreements are in place, while protecting our own brand and image, and our ability to generate income.

Senior managers review key strategic and operational risks on a regular basis. They consider progress on mitigating actions, new and emerging risks and opportunities. Board sub committees and management groups help identify, evaluate, and manage risks relating to clinical services, fundraising, investments, business continuity, health and safety, remuneration, major infrastructure, IT projects and operational needs. The Board reviews risk and internal controls, approves the risk-based internal audit plan and receives regular internal audit reports, progress reports and corporate risk updates.

Our strategic aims

In our strategic plan 2019-24 we set out in detail how we wanted to build upon on our successes and strengths, five years on we have our revised strategy for 2024-27 where we not only reconfirm our dedication to providing and promoting exemplary and compassionate end-of-life care, but we are also committing ourselves to act as even more vociferous champions for patients and their loved ones.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Our strategic goals 2024-27

In our strategic planning, the challenge has been to find the right balance between continually developing our services and finding ways to respond to the increasing demand in a climate of severe funding pressures.

Our 2024-27 strategic plan will help us build on our successes and move towards achieving our mission and vision. This plan is driven by four high-level key strategic aims that set out what we want to achieve over the next three years in pursuit of our overarching vision.

Aim One: Delivering high quality care

Our aim is to deliver exemplary and compassionate end-of-life care services at the right time and in the right place, based on best practice.

Key activities will include:

- Reviewing and refining our clinical model to reflect international best practice and enable us to provide earlier support in the last year of life.
- Implementing a clinical workforce plan, making better use of Advanced Nurse Practitioners (ANPs) and other roles.
- Establishing a voice forum to engage with patients and their families.

Aim Two: Working in partnership

Our aim is to provide a strong voice for end-of-life care patients using our expertise to influence health and social care partners and improve services.

Key activities include:

- Engaging with other health and social care partners to develop a clear strategy for end-of-life care in Plymouth and surrounding areas.
- Establishing a coordination hub providing a single point of contact for both patients and clinicians
- Engaging with other hospices to explore opportunities for working together and potentially sharing resources.
- Developing a clear role for St Luke's in providing and/or supporting frailty services in the future.

Aim Three: Supporting our people

Our aim is to value, appreciate and empower all our people, both staff and volunteers, whilst enabling them to be the best that they can be within an open, inclusive and supportive culture.

Key activities will include:

- Raising the profile of our volunteers by regularly assessing and reporting the impact of their work through real-life stories
- Developing and promoting a range of events to support our priorities for wellbeing, recognition and inclusion.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

- Developing and delivering a programme for promoting and supporting health, inclusion, wellbeing and a 'just culture'.
- Conducting a thorough review and benchmarking of our pay and reward schemes.

Aim Four: Securing a sustainable future

Our aim is to be financially and environmentally sustainable, ensuring that our services are available to those needing them for many years to come.

Key activities will include:

- Developing a robust financial plan which secures financial balance over the next 4-5 years
- Developing a digital strategy which identifies opportunities and priorities for making better use of technology.
- Developing an approach to benchmarking our clinical and non-clinical services
- Developing and agreeing a plan for further improving income from legacies, fundraising and commercial activities

Key management personnel

The key management personnel identified by the board make up the Senior Management Team (SMT).

The board of trustees are responsible for setting remuneration levels for the charity's senior staff. The key objective for St Luke's is to ensure our approach offers fair pay to attract and keep appropriately qualified staff to lead, manage, support and/or deliver our objectives. The board complies with the Remuneration and Reward Policy for our charity which was revised and adopted in 2022-23.

In deciding SMT remuneration, the board of trustees have considered:

- The purposes, aims and values of the charity and its beneficiary needs
- How this remuneration impacts on the overall pay policy for all employees and for the SMT in particular
- The types of skills, experiences and competencies that St Luke's needs from its senior management team, the specific scope of these roles and the link to pay
- The charity's current strategic plan and how the implementation of this plan may affect the number of senior staff the charity needs to employ or recruit and the nature of these roles
- The charity's ability to pay and ensure any pay increases are in the context of St Luke's charitable purposes
- The board's assessment of the charity's performance and the SMT's performance against expectations, in both short and long term
- Appropriate available information on pay policies and practices in other organisations that can inform the decision on whether a level of pay is fair and reasonable. This has been achieved through local and national pay comparisons with other private, public and charitable organisations, including other hospices.

In addition to the points listed previously and in accordance with the Statement of Recommended Practice (SORP), St Luke's Hospice Plymouth, within our audited and published annual report and accounts, discloses the number of employees whose remuneration exceeds £60,000.

- Senior Management Team pay is formally reviewed on an annual basis against set objectives. The trustees are satisfied that there is appropriate, robust, transparent and fair remuneration in place for SMT.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Employee involvement

Research¹ shows there is a firm correlation between employee engagement and high performance across all sectors of the economy. Engagement/employee involvement is a priority for St Luke's and forms part of its 2024-27 Strategy. There are several areas St Luke's focuses on for engagement, detailed below.

Communication

There is a successful cascade of information throughout the organisation from SMT (Senior Management Team), SLT (Senior Leadership Team) and OMG (Organisational Management Group) to teams, including financial and other performance information. The SMT places great emphasis on engagement at all levels, for example wide consultation on development of the organisational strategy for the next three years. SMT also uses various mechanisms for communication ranging from Teams meetings, where the whole organisation is invited to join to hear updates on financial considerations, to walkabouts where they go across the organisation with Trustees to meet individual teams, which all supports developing trust in senior leaders.

Established communication networks across the wider organisation include Intranet and TV screens, with email and text messages used to deliver key messages. Work is ongoing to continue to provide more information via the Intranet, and focus remains on cost-of-living support, health and wellbeing, benefits, and general engagement. A summary of all information referred to, plus any events, recognitions, new starters and leavers, is provided in a People Engagement Update, shared electronically, and printed for those areas with limited access to a PC or email. Our SLT and OMG meet regularly to discuss organisational priorities and directly disseminate information to individual teams.

Staff consultation continues via staff surveys, with the latest survey live on 6 May 2025 (for staff and volunteers), working with staff to agree and build on existing plans following feedback, with organisational updates on progress. Health and wellbeing and engagement feedback portals have been created and are monitored on a regular basis, with feedback from SLT, OMG, and Employee Voice Forum (EVF) reflecting views from within teams and anything that has a wider impact.

Wellbeing, Inclusion and Belonging

The Health and Wellbeing Strategy is being reviewed with BEE Well representatives, now meeting regularly to monitor themes and share good practice and put forward recommendations for support.

Work and support continue on an ongoing basis through partnership working with the NHS health assessment teams, Livewell support and networks, plus the internal Menopause Awareness Group and mental health support through Andy's Man Club. Our second Inclusion Week was well attended by staff, local businesses and charities, and this event was referenced in our recent CQC report.

There was an event focused on the holistic elements of wellbeing, where colleagues entered a draw to 'win' various packages focusing on financial support and general wellbeing, ranging from a cost-effective recipe book and ingredients to a sleep support package, to local gym access.

Reward and Recognition

Recognition is vital to the retention of high-quality staff. The Recognition App accessible via the front page of the Intranet continues to be a popular forum for sharing positive feedback for colleagues. This recognition is key as evidence shows that peer recognition is 35% more likely to have a positive impact on company results compared to recognition from managers alone. Our first Recognition Event took place during 2024 and was so successful we are holding a further event in 2025. The event is designed to embed St Luke's culture by acknowledging individuals and teams who have lived the organisation's embraced values and behaviours. We continue to send thank-you cards to any individual or team recognised via the Intranet or app and these remain popular. The importance of recognition is not to be overlooked, where **90% of workers** said that a values-

¹ <https://engageforsuccess.org/wp-content/uploads/2015/09/The-Evidence.pdf>

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

based, peer-to-peer recognition programme makes them more satisfied with their work. (Source: SHRM/Globoforce Survey)

Benefits sessions have been facilitated in the past, sharing all benefits accessible to our staff, and to our volunteers. Going forward there will be sessions entitled Your Benefits, Your Choice, providing an overview of everything on offer, how to access this and other signposting activities. This has been created based on demand and there will be separate sessions for staff and volunteers.

Growth and Development

The importance of development was identified as a priority from the outcomes of the survey in 2023 and is a critical factor in engagement. One of the ways St Luke's has developed this was to hold several events during National Apprenticeship Week, shining a light on the hard work and achievements of seven apprentices and sharing apprenticeship opportunities for colleagues to participate in with external providers visiting Turnchapel.

Eight new sessions have been developed and delivered over the past 18months, including but not limited to:

- Values
- Just Culture
- Unconscious Bias
- Inclusive Conversations
- Introduction to LGBT+
- Stress Management
- Effective 1-1s and PDRs
- Inclusion Ally Training

Each is receiving positive feedback and people continue to attend. There will be a review of development feedback from the 2025 survey in comparison, to see if the gap identified has been addressed.

The new PDR form also asks individuals to share what a 'good day' looks like at St Luke's and what keeps them engaged with our organisation. This information is being collated and will be reported to P&T, SMT and SLT on a bi-annual basis, to encourage positive knowledge sharing.

Leadership Behaviours

All of these elements listed will have limited impact without engagement from leaders across St Luke's. 'Valuing Each Other', the in-house development programme initially created for leaders, has been successfully running since May 2023, with 10 cohorts and more than 90 attendees completing the programme so far. The content continues to evolve, based on feedback and national best practice, with the possible introduction of a fourth day to reignite the passion for the sessions, building on knowledge and identifying gaps to explore further. Evaluation of the programme remains positive.

The aim of Valuing Each Other is to strengthen the trust among peers, empower colleagues and support managers to have heartfelt conversations, as well as create spaces to listen and reflect on how their teams are feeling and performing.

Leadership Walkarounds have been well received, giving SMT and trustees the opportunity to hear directly from frontline staff. Evidence suggests that this face-to-face interaction builds trust in leaders, increasing trust levels to over 80%.

The development of a fully interactive Manager's Toolkit is currently underway, based on feedback from managers, identifying gaps, as part of the Survey Working Group. This has been a highly collaborative project and has the full investment of the Operational Management Group who have input into the development, recognising and sharing any gaps they may have experienced as new managers.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Fundraising practices

St Luke's Hospice Plymouth is registered with the Fundraising Regulator and adheres fully with the Code of Fundraising Practice. We are registered with the Gambling Commission for the delivery of our lottery and raffle and have a remote and non-remote operating licence.

One incident was reported by to the Gambling Commission due to human error which was corrected. We encourage all supporters or beneficiaries to contact us with any comment or complaint, in the first instance to the St Luke's team member responsible for the area of concern and then through our comments and complaints procedures, as published on our website. In the last year there was one preference request removal from mailings, two police reported incidents, seven other reported incidents, four complaints and no concerns raised regarding fundraising and lottery.

We monitor incidents, complaints and concerns through a central database, managed by the Head of Quality & Compliance. The Commercial Director and Head of Fundraising are automatically notified of all occurrences and data is reported to SMT and SLT at monthly meetings.

We engage two self-employed canvassers, and one remote telesales canvasser based in Plymouth, as well as self-employed and voluntary collectors. All third-party fundraisers are signed up to an annual contract and follow rigid fundraising standards. Failure to comply with any contractual or regulatory standards are investigated in line with the Lottery Policy and the hospice's own procedures.

We believe in the highest possible standards for our fundraising, considering supporters' preferences in all of our activity, ensuring it is compliant with regulatory standards and in line with the intent of those standards.

Personal data

St Luke's does not sell any personal data of any kind to any third parties, nor do we share supporter or beneficiary data for marketing purposes. We do share information with organisations working on our behalf to deliver services that supporters and beneficiaries have requested and always inform the supporter or beneficiary of what we are doing.

Protecting vulnerable people and others

St Luke's has robust practices that ensure we do not undertake any intrusive fundraising activity. We may from time to time undertake a telephone campaign or mailing. All campaigns are undertaken using telephone and mailing preference services and we ensure that within one year no person will receive what could be considered an intrusive or excessive number of contacts.

Existing supporters receive communications and contacts from St Luke's based upon their personal preferences shared with us or, where relevant, under legitimate interest.

Plans for future periods

We continue to navigate an economy that is recovering slowly, alongside and operating within a health and social care system facing ongoing challenges. Our strength as an organisation lies in our ability to adapt and evolve, all while maintaining a steadfast focus on the quality of the services we provide. We remain committed to being a leading voice of end-of-life care for the community we serve.

As part of our three-year strategy, which we launched in the summer of 2024, key areas for development this year include the rollout of our 'Coordination Hub' for end-of-life care which launched on 1 May. This hub will serve as a single point of contact for patients, families and clinicians, streamlining communication and improving the support to end-of-life patients.

**ST. LUKE'S HOSPICE PLYMOUTH
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

The setting up of a joint venture company with Rowcroft hospice to allow us to build upon our existing joint working around Information Technology (IT) to create a shared commercial entity to allow us to grow income from providing IT services and other support services to other hospices/charities.

As part of our medium-term plans to enhance our business intelligence capabilities, we have initiated the development of a digital data warehouse. This will enable automated reporting across various areas of the organisation, improving access to insights and supporting more informed decision-making.

Implementation of phase one of our deficit recovery plan will enable us to move to break even position over the next couple of years.

As part of our forward-looking plans, we aim to appoint a new Senior Management Team role, a Director of Future Hospices, on a fixed-term basis. This role will focus on driving key strategic projects that support innovation, sustainability, and the continued development of our services.

We have started a detailed project looking at increasing our lottery playing costs from quarter 3 in 2025/26, with the aim of increasing our lottery income to over £1m annually. Pivotal to its successful implementation will be how we communicate the reason for the increase with our current lottery players to minimise our level of attrition when implemented.

Our retail strategy continues to focus on optimum locations and excellent presentation of our shops in order to maximise potential income and balance the effects of a slower economy and a drop in textile prices for unsold stock. Our premises in several key locations have been earmarked for relocation or refurbishment in the coming year.

Reserves policy

The Board adopts a risk-based approach to reserves. As a mature organisation with a variety of established, albeit volatile, income streams and predictable and well-planned expenditure, the trustees consider it most appropriate for the hospice to operate a reserves policy centred on an analysis of the potential risks to the amounts of those income streams and of the potential risks of over expenditure. The risks to the hospice's key income and expenditure lines are therefore estimated in order to quantify the reserves that are required, giving the total risk reserve requirement. From this risk-based exercise the trustees determined that the hospice requires a risk reserve of £3m for 2025/26, (£2.9m 2024/25).

Reserves in excess of the risk reserve requirement will be designated to ensure sustainability and develop new and improved services in line with the needs and preferences of patients living with, and dying from, advanced incurable illness. As explained, we hold four designated reserves in respect of our four strategic aims:

- 1 – Quality
- 2 – Partnerships
- 3 – People
- 4 – Sustainability

These reserves are used to fund one-off projects that improve our position against these strategic aims. As we are operating at a significant deficit, we have agreed to retain enough to cover off the next three years of underlying budgeted deficits estimated at around £3.9m. However, there is one-off funding in the form of the 2025/26 Hospice UK administered capital grant and an estimated profit in 2026/27 from a new high profile fundraising event, in which case this £3.9m three-year deficit, reduces to £3.1m. If we then also assume that our Deficit Recovery Plan (DRP) Phase 1 actions achieve the savings estimated (£1.9m over 3 years) then the need to retain funds for the three-year deficits reduces to £1.2m. Our Sustainability Reserve has therefore been topped up by this amount.

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Investment/Treasury management policy

An investment policy is in place which is reviewed annually by the Board. St Luke's keeps reserves in excess of working capital requirements in line with its reserves policy and, in line with the hospice's investment policy, these funds are invested. The trustees have appointed Brewin Dolphin as their agent to manage a diverse portfolio of suitable investments, taking into consideration the risk appetite of the charity as well as ethical requirements including the non-investment in tobacco-related products as well as social and ethical considerations. The trustees have selected an investment objective of a balance between income and capital growth. Global investment markets have seen a sustained period of economic volatility, and we work closely with Brewin Dolphin to manage these risks as well as taking up opportunities for income and capital growth. The value of investments at the year-end was £2,955,144. A gain of £229,960 was recognised in the accounts for 2024/25 in relation to our managed investments (2024 – loss £117,548).

As part of our wider Treasury Management Policy, we have invested in residential property as part of our legacy opportunities. Where we have been in the fortunate position of being the full beneficiaries of some estates and property, instead of realising the cash value of the properties, we have decided to retain them and rent out as residential lets. When interest rates have been low, this has proved beneficial, as rental income was far greater than interest rates. However, due to the fluctuations in interest rates, we are taking each property on a case-by-case basis. As at 31 March 2025, we held four residential properties at a value of £1,616,000. Following the move of our Plympton shop which we own, to larger premises nearby we have recognised the currently vacant owned property as an investment asset whilst we pursue future disposal options for the site.

Going concern

We believe that the charity's financial statements should be prepared on a going-concern basis on the grounds that current and future sources of funding or support will be adequate for the charity's needs.

We are currently dealing with an underlying budget deficit of circa £1m per annum due to the impact of rising staff costs including significant increases to the National Minimum Wage and National Insurance employer contributions, which we have been unable to match with increased income. We are tackling this underlying budget deficit through our Deficit Recovery Plan (DRP) which has progressed through our trustees with the agreement of a number of phase 1 actions. These actions alongside the one-off funding from the Department of Health and Social Care arranged via Hospice UK, will mean we expect to end 2025/26 in a break-even position. An additional measure in 2026/27 is our Guiding Lights Art Trail and Auction which is expected to give one-off funding which will assist our overall position prior to full implementation of the DRP. The DRP will continue through phases 2 and 3 to return the hospice to breakeven position with the expectation that our ongoing income sources will match our ongoing expenditure commitments by the end of 2027/28.

We have set aside an additional £1.2m in our Sustainability Reserve to ensure we have sufficient reserves to act as a buffer. This will allow time for the DRP to take effect, helping to reduce any adverse impacts on our clinical services should operating costs need to be reduced.

Following an assessment of our cash flow it has been confirmed that there is sufficient cash to meet the charity's operating requirements.

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that, so far as the trustee is aware, there is no relevant audit information of which the company's auditors have not been made aware.

The Auditors

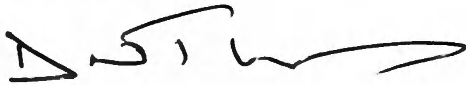
The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office.

**ST. LUKE'S HOSPICE PLYMOUTH
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Conclusion

Finally, the Board would like to take this opportunity to thank all the trustees, the Senior Management Team and staff, and the 576 volunteers, all of whom are dedicated to the charity, and who work so hard and contribute to its success. The Trustees' Report, incorporating the Strategic Report, was approved by the Board, and signed on its behalf by

A handwritten signature in black ink, appearing to read 'D N Thomas', with a long horizontal stroke extending to the right.

Mr D N Thomas
Chair of Trustees
22 July 2025

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

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

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Mr D N Thomas
Chair of Trustees

Date:

22nd July 2025

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. LUKE'S HOSPICE PLYMOUTH

OPINION

We have audited the financial statements of St. Luke's Hospice Plymouth (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. LUKE'S HOSPICE PLYMOUTH
(CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. LUKE'S HOSPICE PLYMOUTH
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the group; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have identified any matters having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - Identifying, evaluation and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Group. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or avoid a material penalty. These included the Health & Social Care Act, data protection regulations, health and safety regulations, employment legislation, the Code of Fundraising Practice and gambling legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of income, specifically grants and legacies, with a particular focus around year-end cut off; and

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. LUKE'S HOSPICE PLYMOUTH
(CONTINUED)**

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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

USE OF OUR REPORT

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



Alison Oliver FCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: *13 August 2025*

ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
INCOME FROM:					
Donations and legacies	3	3,943,450	14,802	3,958,252	3,882,263
Charitable activities	4	3,113,583	283,898	3,397,481	3,371,353
Other trading activities	5	5,236,613	-	5,236,613	5,246,663
Investments	6	400,336	-	400,336	376,119
Other income		13,071	-	13,071	129,409
TOTAL INCOME		12,707,053	298,700	13,005,753	13,005,807
EXPENDITURE ON:					
Raising funds		5,936,628	13,649	5,950,277	5,911,779
Charitable activities	7	7,697,030	123,788	7,820,818	7,690,905
TOTAL EXPENDITURE		13,633,658	137,437	13,771,095	13,602,684
NET (EXPENDITURE)/INCOME BEFORE NET GAINS ON INVESTMENTS					
		(926,605)	161,263	(765,342)	(596,877)
Net gains on investments		116,456	-	116,456	322,639
NET (EXPENDITURE)/INCOME		(810,149)	161,263	(648,886)	(274,238)
Transfers between funds	20	187,058	(187,058)	-	-
NET MOVEMENT IN FUNDS		(623,091)	(25,795)	(648,886)	(274,238)
RECONCILIATION OF FUNDS:					
Total funds brought forward		13,561,714	64,143	13,625,857	13,900,095
Net movement in funds		(623,091)	(25,795)	(648,886)	(274,238)
TOTAL FUNDS CARRIED FORWARD		12,938,623	38,348	12,976,971	13,625,857

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 57 form part of these financial statements.


ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01505753

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Intangible assets	12	89,745	103,999
Tangible assets	13	1,927,733	2,122,400
Investments	15	2,947,968	2,955,144
Investment property	14	1,866,000	1,605,000
		<u>6,831,446</u>	<u>6,786,543</u>
CURRENT ASSETS			
Stocks		30,745	50,753
Debtors	16	1,003,074	1,279,477
Cash at bank and in hand	24	6,177,687	6,788,034
		<u>7,211,506</u>	<u>8,118,264</u>
Creditors: amounts falling due within one year	17	(744,424)	(1,018,330)
NET CURRENT ASSETS		<u>6,467,082</u>	<u>7,099,934</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,298,528</u>	<u>13,886,477</u>
Creditors: amounts falling due after more than one year	18	(10,564)	(13,408)
Provisions for liabilities	19	(310,993)	(247,212)
TOTAL NET ASSETS		<u><u>12,976,971</u></u>	<u><u>13,625,857</u></u>
CHARITY FUNDS			
Restricted funds	20	38,348	64,143
Unrestricted funds	20	12,938,623	13,561,714
TOTAL FUNDS		<u><u>12,976,971</u></u>	<u><u>13,625,857</u></u>

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

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


Mr D N Thomas
Chair of Trustees
Date: 22nd July 2025


Mrs H Hocking
Treasurer

The notes on pages 30 to 57 form part of these financial statements.

ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01505753

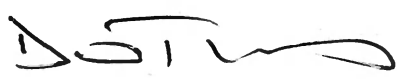
COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2025

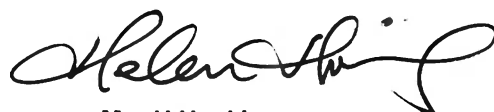
	Note	2025 £	2024 £
FIXED ASSETS			
Intangible assets	12	89,745	103,999
Tangible assets	13	1,927,733	2,122,400
Investments	15	2,947,970	2,955,146
Investment property	14	1,866,000	1,605,000
		<u>6,831,448</u>	<u>6,786,545</u>
CURRENT ASSETS			
Debtors	16	1,056,120	1,321,823
Cash at bank and in hand		5,851,195	6,614,073
		<u>6,907,315</u>	<u>7,935,896</u>
Creditors: amounts falling due within one year	17	(667,715)	(994,050)
		<u>6,239,600</u>	<u>6,941,846</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,071,048</u>	<u>13,728,391</u>
Creditors: amounts falling due after more than one year	18	(10,564)	(13,408)
Provisions for liabilities	19	(310,993)	(247,212)
		<u>12,749,491</u>	<u>13,467,771</u>
CHARITY FUNDS			
Restricted funds	20	38,348	64,143
Unrestricted funds	20	12,711,143	13,403,628
		<u>12,749,491</u>	<u>13,467,771</u>
TOTAL FUNDS			

The Company's net movement in funds for the year was £(718,280) (2024 - £(111,175)).

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

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


Mr D N Thomas
Chair of Trustees
Date: 22nd July 2025


Mrs H Hocking
Treasurer

The notes on pages 30 to 57 form part of these financial statements.

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	23	(584,574)	(803,922)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of tangible fixed assets		-	563,491
Purchase of intangible assets		(21,132)	(15,068)
Purchase of tangible fixed assets		(268,144)	(405,902)
Expenditure on investment properties		(58,161)	-
Investment income received		56,188	38,337
Interest received		268,105	259,728
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		(23,144)	440,586
CASH FLOWS FROM FINANCING ACTIVITIES			
New finance leases		-	18,145
Repayments of finance leases		(2,629)	(2,109)
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES		(2,629)	16,036
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(610,347)	(347,300)
Cash and cash equivalents at the beginning of the year		6,788,034	7,135,334
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24	6,177,687	6,788,034

The notes on pages 30 to 57 form part of these financial statements

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

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

St. Luke's Hospice Plymouth meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 GOING CONCERN

After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

We are currently dealing with an underlying budget deficit due to the impact of rising staff costs including significant increases to the National Minimum Wage and National Insurance, which we have been unable to match with increased income. We are tackling this underlying budget deficit through our Deficit Recovery Plan (DRP) which has progressed through our trustees with the agreement of a number of phase 1 actions. The DRP will continue through phases 2 and 3 to return the hospice to breakeven position with the expectation that our ongoing income sources will match our ongoing expenditure commitments by the end of 2027/28.

Although staffing costs are growing significantly and putting pressure on our cost base, and hence our ability to operate within our income levels, there are sufficient reserves to act as a contingency fund. Trustees have assessed a period of 12 months beyond the date of signing of these accounts, and it is for these reasons the trustees consider the group is a going concern.

1.3 INCOME

All income is recognised in the Statement of Financial Activities (SoFA) once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

- Legacies - The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Pecuniary legacies are recognised where a Grant of Probate is in place and the gift has been confirmed by the executor to the Will. Residual legacies are recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the group, can be reliably measured. Reversionary interests involving a life tenant are not recognised. Amounts for pecuniary and residuary cases not included in legacy income are disclosed as a contingent asset in note 26.

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME (CONTINUED)

- Grants are recognised in full in the SoFA when the charity has unconditional entitlement to the funds. Where grants are subject to performance conditions, income is recognised as the charity earns the right to the grant through performance.
- Donations are generally recognised when received. For event income, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued
- Gift Aid receivable is included in income when there is a valid Gift Aid declaration from the donor and the donation has been received. Gift Aid tax reclaim income not received by the year end are accounted for as accrued income in debtors.
- Lottery income is accounted for in respect of those draws that have taken place in the year, when the charity becomes entitled to the proceeds. Any payments received in advance of the draw date are held as debtors.
- Charity Shop Income from the sale of both purchased and donated goods is recognised at the point of sale. Proceeds from the sale of goods belonging to supporters sold under the retail Gift Aid scheme are treated as sales of donated goods.
- Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.
- Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the statement of financial activities.

1.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.5 INTEREST RECEIVABLE

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

1.6 TAXATION

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 INTANGIBLE ASSETS AND AMORTISATION

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

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

The estimated useful lives are as follows:

Computer software	-	20-33%
Computer software under construction	-	Not amortised until brought into use

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-	4-7%
Equipment and furniture	-	4-67%
Motor vehicles	-	14-33%
Assets under construction	-	Not depreciated until brought into use

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

1. ACCOUNTING POLICIES (continued)

1.9 INVESTMENTS

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

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

1.10 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 DEBTORS

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

1.12 CASH AT BANK AND IN HAND

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

1.13 LIABILITIES

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

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

1.14 PROVISIONS

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.15 FINANCIAL INSTRUMENTS

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

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

1. ACCOUNTING POLICIES (continued)

1.16 FINANCE LEASES AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.17 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

1.18 PENSIONS

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

The Group is a member of a multi-employer plan. Where it is not possible for the Group to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

1.19 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provisions are made for shop dilapidation and costs required. This is subject to management estimates and judgements of the future costs.

Management exercise judgement in the recognition of income from legacies. Judgement is applied to establish entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable.

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations	1,939,639	14,802	1,954,441
Legacies	2,003,811	-	2,003,811
	<u>3,943,450</u>	<u>14,802</u>	<u>3,958,252</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	1,731,226	41,501	1,772,727
Legacies	2,041,604	67,932	2,109,536
	<u>3,772,830</u>	<u>109,433</u>	<u>3,882,263</u>

ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)

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

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
NHS Basic Funding	2,934,407	-	2,934,407
End of Life Care Education Projects	-	93,845	93,845
DHSC Hospice Capital Grant via Hospice UK	-	179,059	179,059
Other Income	179,176	10,994	190,170
TOTAL 2025	3,113,583	283,898	3,397,481
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
NHS Basic Funding	3,090,799	-	3,090,799
End of Life Care Education Projects	-	94,534	94,534
Other Income	158,046	27,974	186,020
TOTAL 2024	3,248,845	122,508	3,371,353

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

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

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Shops/ b.kinda	4,469,260	4,469,260
Lottery	767,353	767,353
	<u>5,236,613</u>	<u>5,236,613</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Shops/ b.kinda	4,483,262	4,483,262
Lottery	763,401	763,401
	<u>5,246,663</u>	<u>5,246,663</u>

6. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £
Income from property	56,188	56,188
Investment income	76,043	76,043
Bank interest receivable	268,105	268,105
	<u>400,336</u>	<u>400,336</u>

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. INVESTMENT INCOME (CONTINUED)

	Unrestricted funds 2024 £	Total funds 2024 £
Income from property	38,337	38,337
Investment income	78,054	78,054
Bank interest receivable	259,728	259,728
	<u>376,119</u>	<u>376,119</u>

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
In Patient Care	3,256,319	3,325	3,259,644
Community Services	3,528,906	11,560	3,540,466
Hospital Services and Medical Operations	408,588	208	408,796
Education	503,217	108,695	611,912
	<u>7,697,030</u>	<u>123,788</u>	<u>7,820,818</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
In Patient Care	3,143,648	1,008	3,144,656
Community Services	3,100,036	100,198	3,200,234
Hospital Services and Medical Operations	767,612	230	767,842
Education	414,049	164,124	578,173
	<u>7,425,345</u>	<u>265,560</u>	<u>7,690,905</u>

**ST. LUKE'S HOSPICE PLYMOUTH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
In Patient Care	2,715,228	544,416	3,259,644
Community Services	2,947,191	593,275	3,540,466
Hospital Services and Medical Operations	292,140	116,656	408,796
Education	441,618	170,294	611,912
	6,396,177	1,424,641	7,820,818

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
In Patient Care	2,717,246	427,410	3,144,656
Community Services	2,686,830	513,404	3,200,234
Hospital Services and Medical Operations	600,952	166,890	767,842
Education	395,493	182,680	578,173
	6,400,521	1,290,384	7,690,905

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

Support costs are allocated on the following basis: costs are allocated directly where possible for all management, finance, IT and HR spend, and the remaining are apportioned on the basis of time spent across each of the charitable and income generation services, whilst HR support costs are apportioned on the basis of the number of personnel in each area of charitable and income generation activity.

	2025 £	2024 £
Cost of raising funds		
Shops	337,506	403,661
Lottery	47,630	36,939
B.kinda clothing and coffee	82,478	97,892
Fundraising and publicity	267,528	264,064
Investment and other	66,288	149,402
	<u>801,430</u>	<u>951,958</u>
Charitable activities		
In patient care	481,725	327,869
Community services	508,118	374,693
Hospital services and medical ops	74,077	97,534
Education	117,659	98,232
	<u>1,181,579</u>	<u>898,328</u>
Governance costs		
Audit & accountancy	26,821	26,795
Legal and professional	4,955	15,042
Other	257,613	421,829
	<u>289,389</u>	<u>463,666</u>

9. AUDITORS' REMUNERATION

The auditors' remuneration for the group amounts to an auditor fee of £24,850 (2024: £25,760), and non-audit services of £1,570 (2024: £1,500).

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

10. STAFF COSTS

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Wages and salaries	8,411,960	8,310,603	8,200,122	8,060,908
Social security costs	732,363	742,306	718,679	722,276
Contribution to defined contribution pension schemes	748,706	774,763	736,745	757,410
	9,893,029	9,827,672	9,655,546	9,540,594

During the year, there were 6 redundancies. Redundancy payments amounted to £44,140 (2024: £711). The amounts are included in wages and salaries in the table above.

The average number of persons employed by the Group and Company during the year was as follows:

	Group 2025 No.	Group 2024 No.	Company 2025 No.	Company 2024 No.
Clinical and direct care	128	128	128	128
Direct support	46	45	46	45
Office and administration	50	50	50	50
Fund generating teams	108	107	101	97
	332	330	325	320

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group As restated 2024 No.
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	2	4
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	-

Total remuneration (including employers national insurance and pension contributions) paid to key management personnel of the Group, comprising of the Senior Management Team, amounted to £429,687 (2024: £400,877) for the year.

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2024: £Nil).

During the year ended 31 March 2025, expenses totalling £1,064 were reimbursed or paid directly to 2 Trustees (2024: £Nil to no Trustees).

12. INTANGIBLE ASSETS

GROUP AND COMPANY

	Computer software £	Computer software in development £	Total £
COST			
At 1 April 2024	163,420	3,400	166,820
Additions	-	21,132	21,132
Disposals	(23,520)	-	(23,520)
At 31 March 2025	139,900	24,532	164,432
AMORTISATION			
At 1 April 2024	62,821	-	62,821
Charge for the year	32,773	-	32,773
On disposals	(20,907)	-	(20,907)
At 31 March 2025	74,687	-	74,687
NET BOOK VALUE			
At 31 March 2025	65,213	24,532	89,745
At 31 March 2024	100,599	3,400	103,999

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold property £	Equipment and furniture £	Motor vehicles £	Assets under construction £	Total £
COST					
At 1 April 2024	6,809,105	1,446,619	38,923	4,055	8,298,702
Additions	109,423	129,353	-	29,368	268,144
Transfer to investment property	(135,000)	(14,800)	-	-	(149,800)
Disposals	-	(143,485)	-	-	(143,485)
Transfers between classes	-	4,055	-	(4,055)	-
At 31 March 2025	6,783,528	1,421,742	38,923	29,368	8,273,561
DEPRECIATION					
At 1 April 2024	5,241,651	914,636	20,015	-	6,176,302
Charge for the year	274,819	158,058	5,365	-	438,242
Transfer to investment property	(124,200)	(3,445)	-	-	(127,645)
On disposals	-	(141,071)	-	-	(141,071)
At 31 March 2025	5,392,270	928,178	25,380	-	6,345,828
NET BOOK VALUE					
At 31 March 2025	1,391,258	493,564	13,543	29,368	1,927,733
At 31 March 2024	1,567,454	531,983	18,908	4,055	2,122,400

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

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

14. INVESTMENT PROPERTY

GROUP AND COMPANY

	Freehold investment property £
VALUATION	
At 1 April 2024	1,605,000
Additions	58,161
Transfer from tangible fixed assets	22,155
Surplus on revaluation	180,684
At 31 March 2025	1,866,000

The additions to investment property were independently valued in 2024. The Trustees have revalued the investment property in the year based on their knowledge and experience of the current market conditions. The transfer from tangible fixed assets during the year relates to commercial premises owned by the hospice which had previously been used by the Retail Operation as a charity shop but at the year end was held as an investment. The £22k shown in the table above represents the net book value at the point of transfer, but the property is now held in the Statement of Financial Position at fair value.

**ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)**

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

15. FIXED ASSET INVESTMENTS

		Listed investments £	
GROUP			
COST OR VALUATION			
At 1 April 2024		2,955,144	
Additions		681,592	
Disposals		(614,836)	
Revaluations		(73,932)	
AT 31 MARCH 2025		2,947,968	
NET BOOK VALUE			
AT 31 MARCH 2025		2,947,968	
AT 31 MARCH 2024		2,955,144	
COMPANY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2024	2	2,955,144	2,955,146
Additions	-	681,592	681,592
Disposals	-	(614,836)	(614,836)
Revaluations	-	(73,932)	(73,932)
AT 31 MARCH 2025	2	2,947,968	2,947,970
NET BOOK VALUE			
AT 31 MARCH 2025	2	2,947,968	2,947,970
AT 31 MARCH 2024	2	2,955,144	2,955,146

ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)

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

16. DEBTORS

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
DUE AFTER MORE THAN ONE YEAR				
Amounts owed by group undertakings	-	-	50,000	50,000
DUE WITHIN ONE YEAR				
Trade debtors	103,158	194,143	103,158	194,143
Amounts owed by group undertakings	-	-	7,089	-
Other debtors	156,529	157,058	156,529	156,205
Prepayments and accrued income	708,033	857,129	703,949	850,328
Tax recoverable	35,354	71,147	35,395	71,147
	1,003,074	1,279,477	1,056,120	1,321,823

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade creditors	215,702	332,387	212,590	267,013
Amounts owed to group undertakings	-	-	-	129,603
Other taxation and social security	153,745	154,405	151,477	148,243
Obligations under finance lease and hire purchase contracts	2,843	2,628	2,843	2,628
Other creditors	89,893	97,793	89,101	93,197
Accruals and deferred income	282,241	431,117	211,704	353,366
	744,424	1,018,330	667,715	994,050

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Deferred income at 1 April 2024	80,701	112,167	23,869	52,253
Resources deferred during the year	92,436	80,701	36,515	23,869
Amounts released from previous periods	(80,701)	(112,167)	(23,869)	(52,253)
	92,436	80,701	36,515	23,869

Deferred income of £92,436 (2024: £80,701) is included within total accruals and deferred income. Deferred income relates to lottery income, educational course income and event income received in advance.

**ST. LUKE'S HOSPICE PLYMOUTH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Net obligations under finance lease and hire purchase contracts	10,564	13,408	10,564	13,408

19. PROVISIONS

GROUP AND COMPANY

	Dilapidation provision £	Onerous lease provision £	Total £
At 1 April 2024	247,212	-	247,212
Additions	49,554	46,743	96,297
Amounts used	(24,154)	-	(24,154)
Amounts reversed	(8,362)	-	(8,362)
	264,250	46,743	310,993

Dilapidation provisions are made for the repairs, maintenance and rectification of shop premises held by the Group. The timing of the payments required are linked to the individual shop leases. The amounts have been estimated based on the known works that would be required if premises were returned in present condition, and values have been calculated by the premises team of the Group, along with guidance from a firm of quantity surveyors.

The onerous lease provision represents the unavoidable costs of meeting the lease obligations on a commercial property from which the group is no longer receiving economic benefits.

ST. LUKE'S HOSPICE PLYMOUTH
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Fixed Asset Fund	2,226,026	-	(442,985)	245,566	-	2,028,607
Investment Revaluation Reserve	741,683	-	-	(34,538)	116,456	823,601
Legacies Reserve	1,000,000	-	-	-	-	1,000,000
Sustainability Reserve	250,000	-	(9,639)	1,100,000	-	1,340,361
Quality Reserve	750,000	-	(112,737)	(100,000)	-	537,263
Partnerships Reserve	600,000	-	(79,888)	(100,000)	-	420,112
People Reserve	250,000	-	(89,604)	(100,000)	-	60,396
Revenue Reserve	2,900,000	-	-	100,000	-	3,000,000
	<u>8,717,709</u>	<u>-</u>	<u>(734,853)</u>	<u>1,111,028</u>	<u>116,456</u>	<u>9,210,340</u>
GENERAL FUNDS						
General funds	5,091,217	12,756,607	(12,931,321)	(923,970)	-	3,992,533
Dilapidation provision	(247,212)	(49,554)	32,516	-	-	(264,250)
	<u>4,844,005</u>	<u>12,707,053</u>	<u>(12,898,805)</u>	<u>(923,970)</u>	<u>-</u>	<u>3,728,283</u>
TOTAL UNRESTRICTED FUNDS	<u>13,561,714</u>	<u>12,707,053</u>	<u>(13,633,658)</u>	<u>187,058</u>	<u>116,456</u>	<u>12,938,623</u>

**ST. LUKE'S HOSPICE PLYMOUTH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
RESTRICTED FUNDS						
Other Funds	9,628	201,855	(10,537)	(187,058)	-	13,888
Project Funds	54,515	96,845	(126,900)	-	-	24,460
	<u>64,143</u>	<u>298,700</u>	<u>(137,437)</u>	<u>(187,058)</u>	<u>-</u>	<u>38,348</u>
TOTAL OF FUNDS	<u>13,625,857</u>	<u>13,005,753</u>	<u>(13,771,095)</u>	<u>-</u>	<u>116,456</u>	<u>12,976,971</u>

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Fixed Asset Fund	2,619,609	-	(435,004)	41,421	-	2,226,026
Investment Revaluation Reserve	471,955	-	-	(52,911)	322,639	741,683
Legacies Reserve	1,000,000	-	-	-	-	1,000,000
Sustainability Reserve	50,000	-	-	200,000	-	250,000
Quality Reserve	-	-	-	750,000	-	750,000
Partnerships Reserve	-	-	-	600,000	-	600,000
People Reserve	-	-	-	250,000	-	250,000
Revenue Reserve	3,300,000	-	-	(400,000)	-	2,900,000
Other Designated Funds	2,784,176	-	(810,755)	(1,973,421)	-	-
	<u>10,225,740</u>	<u>-</u>	<u>(1,245,759)</u>	<u>(584,911)</u>	<u>322,639</u>	<u>8,717,709</u>
GENERAL FUNDS						
General funds	3,762,257	12,818,866	(12,081,317)	591,411	-	5,091,217
Dilapidation provision	(212,625)	(45,000)	10,413	-	-	(247,212)
	<u>3,549,632</u>	<u>12,773,866</u>	<u>(12,070,904)</u>	<u>591,411</u>	<u>-</u>	<u>4,844,005</u>
TOTAL UNRESTRICTED FUNDS	<u>13,775,372</u>	<u>12,773,866</u>	<u>(13,316,663)</u>	<u>6,500</u>	<u>322,639</u>	<u>13,561,714</u>

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
RESTRICTED FUNDS						
Other Funds	5,428	109,433	(98,733)	(6,500)	-	9,628
Project Funds	119,295	122,508	(187,288)	-	-	54,515
	<u>124,723</u>	<u>231,941</u>	<u>(286,021)</u>	<u>(6,500)</u>	<u>-</u>	<u>64,143</u>
TOTAL OF FUNDS	<u>13,900,095</u>	<u>13,005,807</u>	<u>(13,602,684)</u>	<u>-</u>	<u>322,639</u>	<u>13,625,857</u>

SUMMARY OF OTHER DESIGNATED FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Income Generation Reserve	234,655	-	(78,603)	(156,052)	-	-
Building Facilities Reserve	114,465	-	(15,144)	(99,321)	-	-
Invest to Save Fund	9,559	-	(2,628)	(6,931)	-	-
Case for Change / Quality Agenda	205,086	-	(4,475)	(199,611)	-	-
Compassionate Communities Development	18,028	-	-	(18,028)	-	-
Data Project	98,200	-	(225)	(97,975)	-	-
Hospital Team Expansion	104,000	-	(39,000)	(65,000)	-	-
Integrated Care Trial	55,183	-	(31,979)	(23,204)	-	-
Organisational Development Initiatives	55,000	-	(18,536)	(36,464)	-	-
Clinical Co-Ordination Reserve	1,000,000	-	(24,702)	(975,928)	-	-
Spiritual / Psychosocial IT System Improvements	30,000	-	(4,421)	(25,579)	-	-
Fund	150,000	-	(31,438)	(118,562)	-	-
Staff Support Scheme	200,000	-	(61,779)	(138,221)	-	-
Pay Reserve	510,000	-	(496,825)	(13,175)	-	-
	<u>2,784,176</u>	<u>-</u>	<u>(589,908)</u>	<u>(1,973,421)</u>	<u>-</u>	<u>-</u>

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

20. STATEMENT OF FUNDS (CONTINUED)

As at 31/3/25 reserves have reduced by £649k in the year. As explained in the financial review, this was due to some planned spending on our designated reserves during the year. We continue to implement plans for spending of reserves to meet our charitable objectives, these are driven by our strategic aims.

Designated Funds

As part of our reserves policy we designate funds for a variety of reasons, these include; to cover risks within our operations, to invest in EOL service improvements and service expansion and also to invest in future income streams. Designated funds are held for the following purposes:

As part of our 3 year Strategic Plan, we simplified our approach to designation of reserves by designating funds to meet each of our 4 objectives of **Quality, Partnerships, People and Sustainability**. Each strategic objective has been allocated a sum of money so that we can support the work needed to implement these objectives. Throughout the 3 year Strategic Plan, departments will submit business cases to draw down on these funds, each business case will be assessed against various criteria including how it fits with St Luke's strategic aims before approval is given. During the year we have spent £292k from these Strategic Objective designated funds.

This year we have increased our Sustainability Reserve balance in order to fund predicted future deficits until our Deficit Recovery Plan is successful in enabling us to reach breakeven position – this is planned for 2027/28.

The Revenue Reserve represents the minimum free reserves required by the Hospice, taking into account the potential risks to income streams and of the potential risks to expenditure over a two-year period. Reserves in excess of the minimum level of expenditure may be designated to develop new and improved services in line with the needs and preferences of patients living with and dying from advanced incurable illness.

The Fixed Asset Fund is held at a level equivalent to the net book value of the depreciable fixed assets owned by the Hospice in order to fund future depreciation costs. The movement in the year therefore mirrors the movement in the fixed assets for the period, which covers additions, disposals and the related depreciation transactions.

The Legacy Smoothing Reserve was set up to designate funds to mitigate the specific risk around this income stream. The reason the Hospice has removed the risk around legacy income from its Annual Risk Reserve Requirement to a specific Legacy Smoothing Reserve is because a significant drop in legacy income would present a unique set of circumstances to the Hospice that could not be managed the way in which our other commercial income could i.e. if retail or fundraising income were to dip, the organisation would be able to take management action to address this i.e. close or open shops, sell different goods or organise different events. However, if legacy income were to reduce, the Charity could not influence this in the short to medium term – instead, it would have to reduce its expenditure very quickly. The Legacy Smoothing Reserve is therefore to fund potential legacy income shortfalls and give time to reduce expenditure in a planned way.

Restricted Funds

Restricted Funds Project Funds: Some NHS and other income is for specific projects and programmes. These funds are treated as restricted and the balance on these funds is held as Project Funds.

Other Funds: Other restricted funds are held at the value of any donations for restricted purposes that remain unspent at the year end.

ST. LUKE'S HOSPICE PLYMOUTH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Designated funds	8,717,709	-	(734,853)	1,111,028	116,456	9,210,340
General funds	4,844,005	12,707,053	(12,898,805)	(923,970)	-	3,728,283
Restricted funds	64,143	298,700	(137,437)	(187,058)	-	38,348
	<u>13,625,857</u>	<u>13,005,753</u>	<u>(13,771,095)</u>	<u>-</u>	<u>116,456</u>	<u>12,976,971</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	10,225,740	-	(1,245,759)	(584,911)	322,639	8,717,709
General funds	3,549,632	12,773,866	(12,070,904)	591,411	-	4,844,005
Restricted funds	124,723	231,941	(286,021)	(6,500)	-	64,143
	<u>13,900,095</u>	<u>13,005,807</u>	<u>(13,602,684)</u>	<u>-</u>	<u>322,639</u>	<u>13,625,857</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,919,153	8,580	1,927,733
Intangible fixed assets	89,745	-	89,745
Fixed asset investments	2,947,968	-	2,947,968
Investment property	1,866,000	-	1,866,000
Current assets	7,181,738	29,768	7,211,506
Creditors due within one year	(744,424)	-	(744,424)
Creditors due in more than one year	(10,564)	-	(10,564)
Provisions for liabilities and charges	(310,993)	-	(310,993)
TOTAL	<u>12,938,623</u>	<u>38,348</u>	<u>12,976,971</u>

**ST. LUKE'S HOSPICE PLYMOUTH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	2,116,900	5,500	2,122,400
Intangible fixed assets	103,999	-	103,999
Fixed asset investments	2,955,144	-	2,955,144
Investment property	1,605,000	-	1,605,000
Current assets	8,059,621	58,643	8,118,264
Creditors due within one year	(1,018,330)	-	(1,018,330)
Creditors due in more than one year	(13,408)	-	(13,408)
Provisions for liabilities and charges	(247,212)	-	(247,212)
TOTAL	13,561,714	64,143	13,625,857

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £
Net expenditure for the year (as per Statement of Financial Activities)	(648,886)	(274,238)
ADJUSTMENTS FOR:		
Depreciation charges	438,242	397,199
Amortisation charges	32,773	37,806
(Gains)/losses on investments in shares (net of fees)	83,219	(212,721)
Interest received	(400,336)	(376,119)
Loss/(profit) on the sale of fixed assets	5,027	(104,091)
Decrease/(increase) in stocks	20,008	(4,313)
Decrease in debtors	276,403	303,939
Increase/(decrease) in creditors	(274,121)	237,029
Increase/(decrease) in provisions	63,781	34,587
Investment property gifted	-	(750,321)
Revaluation gains on investment property	(180,684)	(92,679)
NET CASH USED IN OPERATING ACTIVITIES	(584,574)	(803,922)

**ST. LUKE'S HOSPICE PLYMOUTH
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24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £	Group 2024 £
Cash in hand	<u>6,177,687</u>	<u>6,788,034</u>

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	6,788,034	(610,347)	6,177,687
Finance leases	(16,036)	2,629	(13,407)

26. CONTINGENT ASSET

At the reporting date, the charity has entitlement to further legacies that do not meet the revenue recognition criteria as although probable, the amounts cannot be reliably measured.

27. CAPITAL COMMITMENTS

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of tangible fixed assets	-	35,923	-	35,923

28. PENSION COMMITMENTS

Group Personal Pension Scheme

The Group operates a defined contribution pension scheme, which is operated by Royal London. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The Federated Flexiplan No.1

The Group also is part of The Federated Flexiplan No.1 ("the Plan"). The Plan is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are jointly and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the Group does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As a result the amount recognised in the statement of financial activities represents the Group's contributions payable to the the Plan in respect of the current accounting period.

NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (CONTINUED)

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan under their Pensionable Salary at the date of leaving. The Plan is closed to new members and to future accrual of benefits.

The total cost payable to both these schemes for the year was £748,706 (2024: £774,763) and £84,180 (2024: £88,745) was payable to the schemes at the year end.

29. OPERATING LEASE COMMITMENTS

At 31 March 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Not later than 1 year	476,415	490,184	476,415	490,184
Later than 1 year and not later than 5 years	940,157	972,307	940,157	972,307
Later than 5 years	-	4,808	-	4,808
	<u>1,416,572</u>	<u>1,467,299</u>	<u>1,416,572</u>	<u>1,467,299</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Operating lease rentals	<u>564,693</u>	<u>562,625</u>	<u>564,693</u>	<u>562,625</u>

30. RELATED PARTY TRANSACTIONS

Other than transactions and balances within the group, there have been no related party transactions during the year, nor are there any outstanding balances owing between related parties and the Group at 31 March 2025.

The Group has taken advantage of the exemption available to not disclose transactions and balances with members of the same 100% group in accordance with Section 33.1A of FRS102.

31. CONTROLLING PARTY

The Group is controlled by the Board of Trustees.

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**NOTES TO THE FINANCIAL STATEMENTS
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32. PRINCIPAL SUBSIDIARY

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
SLH Ventures Limited	01786925	Stamford Road, Turnchapel, Plymouth, PL9 9XA	Fundraising in support of the parent charity
Holding	Included in consolidation		
100%	Yes		

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
SLH Ventures Limited	1,074,377	(845,459)	228,918	227,375