

ROWCROFT HOUSE FOUNDATION LIMITED

England & Wales · Charity number 282723

Details

Other names	ROWCROFT HOSPICE
Status	Registered
Legal form	Charitable company
Company number	01561601
Registered	1981-06-30
Register	View on the Charity Commission register

Contact

Address	Rowcroft Hospice Ella's Gardens Avenue Road Torquay TQ2 5LS
Phone	01803 210823
Email	info@rowcrofthospice.org.uk
Website	www.rowcrofthospice.org.uk

Activities

Objects: TO RELIEVE SICKNESS AMONGST ADULTS AND PERSONS TRANSITIONING TO ADULTHOOD, ON A CASE BY CASE BASIS AS THE TRUSTEES MAY DECIDE, SUFFERING FROM LIFE LIMITING ILLNESSES AND SUPPORT FOR THEIR FAMILIES THROUGH THE PROVISION OF A MULTI-DISCIPLINARY, SPECIALIST PALLIATIVE CARE TEAM IN SUCH WAYS AS THE CHARITY SHALL FROM TIME TO TIME THINK FIT COVERING, IN PARTICULAR, THE AREAS OF TORBAY AND SOUTH DEVON.

Activities: The delivery of the following services: 12 bedded inpatient unit 24/7 Hospice at Home service Specialist Palliative Care (Multi- Professional) Community Team - Out Patient clinics and support groups Physiotherapy Occupational Therapy Complementary Therapies Music Therapy Bereavement Support Educational programmes to Health and Social care professionals

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Devon
- Torbay

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£12,020,755	£11,072,328	£16,781,105	186
2024-03-31	£9,688,625	£11,080,724	£15,905,756	185
2023-03-31	£10,144,162	£10,252,676	£16,751,071	177
2022-03-31	£10,630,007	£9,326,987	£17,185,637	170
2021-03-31	£10,596,954	£9,444,194	£15,656,312	167

Trustees

Name	Role	Appointed
Helen Elizabeth Boyd	Chair	2021-06-22
Andrew Michael Ebsworthy Tapson		2019-03-25
Christopher James Brant		2021-01-04
Dr Caroline Anne Karakusevic		2021-01-04
Dr Cathryn Mary Edwards		2015-03-12
Helen Louise Wallwork		2019-03-25
Ian Nevil Hale		2020-06-03
James Moffat		2020-05-26
Karen Elizabeth Williams		2024-03-25
Rachel Banks		2026-06-29
Sally Anne Scott-Bryant		2017-01-23
Tessa Kathleen Howard		2020-06-15

ROWCROFT HOUSE FOUNDATION LIMITED

England & Wales - Charity number 282723

Accounts

Registered number: 01561601
Charity number: 282723

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ROWCROFT HOUSE FOUNDATION LIMITED

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ROWCROFT HOUSE FOUNDATION LIMITED

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

Trustees	S Scott-Bryant (Chair) H E Boyd C J Brant C M Edwards I N Hale T K Howard A N Janzen C A Karakusevic J A H Moffatt A M E Tapson H L Wallwork K E Williams
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Company registered number	01561601
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Charity registered number	282723
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Registered office	Rowcroft Hospice Ella's Garden Avenue Road Torquay Devon TQ2 5LS
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Company secretary	G R Pearce
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Chief executive officer	M Hawkins
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Independent auditors	PKF Francis Clark Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE
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Bankers	Nat West Bank PLC PO Box 69 Riviera House Nicholson Road Torquay TQ2 7YL
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ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2025

CHAIR'S REVIEW OF THE YEAR

As Chair of the Board of Trustees, it continues to be a huge privilege to reflect upon the achievements of the Rowcroft team over the last twelve months.

The team's dedication and commitment are inspiring and humbling in equal measure as they strive daily to achieve exceptionally exacting standards of care within both the hospice and community environments.

The past year has once again been incredibly challenging for the Rowcroft community given the economic environment, the continuing inflationary pressures, alongside the increase in employer's National Insurance contributions and both the National Living and Minimum Wage rises.

These challenges have brought about some radical changes for many of the teams; however, their keen thinking "outside of the box" has seen the birth of some great initiatives in our fundraising, marketing and retail environments.

We have seen enhanced support for our bereaved families and growth in our volunteer population. The international nurse programme has enabled new clinical learning as have the five newly registered nurses who bring a fresh outlook and perspective.

During the year, the team also hosted their second Dementia and Palliative Care Conference, bringing together professionals from many disciplines to share understanding and learning for the furtherance of knowledge across the Health and Social Care community across South Devon and further afield. With two more conferences confirmed for the coming years, it is wonderful to see Rowcroft leading in this area.

I am immensely proud of the way in which all our staff and volunteers continue to rise above the operational difficulties to provide a second to none caring service for our patients and their families in our community.

I know the team at Rowcroft continue to grow and develop as we progress our 2024-2030 strategy harnessing the power of their talent, the technological innovations, and their innate ability to work together. I strongly applaud their "can do" attitude which will enable us to springboard with strength and determination on our journey towards providing palliative care to over three thousand adults a year by 2030.

We are grateful for the financial support towards capital expenditure allocated to hospices from the government, which has enabled enhancements to our existing facilities.

The drive for continuous improvement, diversity and flexibility is encouraged by Mark Hawkins and his senior leadership team as they strive to ensure that an open communication style continues to be the DNA of our organisation.

Our inclusion strategy is an illustration of the commitment we have for fostering an environment where everyone experiences respect, dignity, and equity regardless of their personal situation. This facilitates meaningful conversations and helps remove perceived barriers to support greater care in the community.

My personal heartfelt thanks go out to all the staff and volunteers who continue to be an "exemplum" of superb teamwork and flexibility. I continue to be amazed at their tenacity, forbearance, and selflessness that they show day in and day out to "help our patients to make every day the best day possible for them."

I could not be prouder of the organisation that is Rowcroft and all the people within it for their continuing commitment to the highest quality of patient care in a challenging and ever-changing environment.

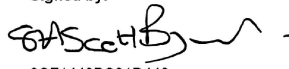
I would also like to acknowledge my multi-talented colleagues on the Rowcroft board who collaborate with myself, and the senior leadership team and I am ever grateful for their talent, fortitude, and wisdom.

ROWCROFT HOUSE FOUNDATION LIMITED

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

We are exceptionally cognisant that to provide the best possible care to individuals and their families, we can only do so because of the support, innovation, willingness, and commitment of so many people in our local community.

Thank you.

Signed by:

3CF1448BC31D440...

Sally Scott-Bryant
Chair of the Board of Trustees

22 December 2025

ROWCROFT HOUSE FOUNDATION LIMITED

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

CHIEF EXECUTIVE'S REVIEW OF THE YEAR

At Rowcroft, our mission is to make every day the best it can be for those living with life-limiting illnesses and those closest to them across South Devon. During 2024/25, we brought this mission vividly to life - not only through the compassion of our care but through bold action, innovation, and unwavering resolve to meet our strategic goals.

We are proud to report another year of real progress in delivering on our strategic ambitions: expanding access to high-quality care, strengthening our financial resilience, and transforming the way we work - so we can support more people, when and where they need us most.

We cared for more patients, grew our Hospice at Home service, invested in our workforce, and prepared for a major refurbishment of our Inpatient Unit to create a more homely and dignified environment. Thanks to strong financial management, our fundraising and retail performance, and remarkable legacy support, we delivered a surplus of £0.9 million which is vital headroom as we face a future shaped by uncertainty.

Innovation continues to drive our vision forward. This year we rolled out electronic prescribing, improved our digital infrastructure, and partnered with university teams to co-develop new tools such as a bespoke app to support people navigating the complexities of end-of-life care. We are also preparing to pilot artificial intelligence (AI) technology to free up our clinical teams for more face-to-face time with patients and families.

We've built strong foundations through our award-winning nurse bursary scheme with Plymouth & Exeter Universities, international nurse recruitment, inclusive training programmes, and a refreshed clinical strategy that champions dementia care and equitable access. And we've reached more people through our community engagement, with record-breaking events like The Big Tackle and Strictly Rowcroft, alongside our flourishing retail and house clearance operations.

Yet we do not underestimate the pressures ahead. Rising costs from employer's National Insurance to National Living and Minimum Wage increases which are biting hard, with no additional statutory funding to match. The need to remain agile, focused and innovative is greater than ever. Our surplus gives us strength today but we must not be complacent.

Looking ahead, we remain grounded in our founding purpose, while reaching boldly toward the future: expanding our services, investing in our people, and ensuring that everyone in our community can access the care and support they deserve - regardless of background or diagnosis.

We continue to grow our Endowment Trust: The Ella Rowcroft Endowment Trust. I am delighted to be able to share that the surplus this year has enabled the Board of Trustees to approve a donation to the Endowment Trust of £0.25m in the year to 31st March 2026. We continue to invest in our longer-term future as we manage our way through this period of rising costs.

Thank you to our extraordinary team, volunteers, supporters, and partners. Your care, commitment and belief in our work are the beating heart of this special hospice. We are, as ever, deeply grateful.



Mark Hawkins
Chief Executive Officer

ROWCROFT HOUSE FOUNDATION LIMITED

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

The Trustees present their report for Rowcroft House Foundation Limited (the “charity”, “Hospice” or “Rowcroft”) and its subsidiaries (collectively the “Group”) for the year ended 31 March 2025.

The Trustees confirm that the Group financial statements comply with the current statutory requirements of the charity’s governing document and the provisions of the Statement of Recommended Practice (SORP FRS 102) “Accounting and Reporting by Charities” effective 1 January 2019.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The charity (number 282723) is a company limited by guarantee (number 01561601), incorporated on 14 May 1981, and is governed by its Articles of Association (revised September 2021). It is led by a Board of Trustees, details of which are given on page 1.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Articles of Association.

Trustees are appointed to the Board of Trustees by an open recruitment process inviting applications with appropriate skills, experience and/or qualifications predominantly from the community of South Devon. The process follows the hospice’s recruitment policy and procedure. The successful applicants are invited to become Members of the Association, prior to a General Meeting at which their appointment is formally ratified.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All newly appointed Trustees meet with senior team members to understand the activities of the charity as well as taking a tour of the hospice and engaging in discussion with the Chair of Trustees, other Trustees and the Chief Executive. Relevant documentation is made available to the newly appointed Trustees including the Articles of Association, past Board of Trustees and Committee minutes and a copy of the Trustee induction pack. All Trustees are expected to undertake a programme of mandatory training covering key topics including anti-bribery, equality, diversity and human rights and safeguarding.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees are responsible for determining the strategic direction of the organisation, ratifying policy and ensuring compliance with internal governance and external regulations and legislation.

The Trustees meet with the Executive Directors every three months in a Rowcroft Board meeting. The Rowcroft Board considers strategic direction and reviews performance against strategic and operational indicators.

Day to day management of the hospice is delegated to the Chief Executive and the Senior Management Team (SMT).

The SMT consists of the Executive Directors and Senior Heads of Department. The hospice is organised into departments with each having a Head of Department who is responsible for the day to day running and budget management of that department. They meet weekly to discuss current issues and projects and monthly to review progress on strategic goals and monthly governance reports including patient care and quality, information governance, finance and Investments, income generation and human resources.

ROWCROFT HOUSE FOUNDATION LIMITED

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

OUR OBJECTIVES AND ACTIVITIES

To provide support and the best care possible to adults facing a progressive, life-limiting illness in South Devon. We deliver this through:

- Providing care to patients, their families and friends, where they have complex needs which require our specialist skills.
- Meeting each individual's physical, emotional, social and spiritual needs, providing support both before and after bereavement.
- Providing palliative care and associated support services to the adult population in South Devon.
- Promoting excellence in palliative care across the community through education, training and support of carers, professional health and social care providers and the public.
- Developing a community-wide understanding of end-of-life care issues including and seeking to influence the services provided by others, including the NHS and third sector organisations.

The total population of the geographical area we serve is 280,000. Whilst the majority of our patients have a cancer diagnosis, we also support people with other progressive, life limiting conditions. In addition to care for the physical, psychological, social and spiritual needs of the patient, we help to address the needs of each patient's family and friends. The majority of referrals are received via the NHS, either directly from GPs or hospital consultants.

We seek the views of beneficiaries through surveys, user groups and local community engagement. We further engage with the local community to seek financial and volunteering support

OUR VISION

To make every day the best day possible for patients and those closest to them, living with life-limiting illnesses in South Devon.

OUR VALUES

- Honesty and integrity
- Generosity of spirit
- Team player
- Respect

OUR EMPLOYEES AND VOLUNTEERS

The Board of Trustees would like to express its warmest thanks to all staff and volunteers for their dedication and commitment to the hospice throughout another year.

In addition to the excellent efforts of our staff, Rowcroft benefited from tens of thousands of volunteering hours, with over 600 active volunteers working on the wards; bereavement support; admin & reception; retail activities; therapies & services; transport; estates and fundraising.

Rowcroft is committed to investing in staff development across all of the disciplines we engage. The Rowcroft Education team provide personal development courses throughout the year to ensure that staff and volunteers have access to relevant opportunities. Where appropriate, Rowcroft also engages with external training suppliers.

Rowcroft recognises its social and statutory duty to employ disabled persons and individuals on Government assisted work schemes wherever possible.

Thank you.

ROWCROFT HOUSE FOUNDATION LIMITED

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

OUR ACHIEVEMENTS AND PERFORMANCE

In setting objectives and planning activities for the year, the Trustees gave careful consideration to ensuring that the charity's activities are to the public benefit, with due regard to Charity Commission guidance.

Rowcroft is rated "Good" by the Care Quality Commission [2021]

Our care drives all that we all do

"I really can't say enough good things about Rowcroft and their staff and the care they provide. The level of compassion, attentiveness, professionalism, and the sheer level of care that runs through the entire place and in every member of the team, from the receptionist to the cleaner, is really incredible. It is amazing and gives hope that a place like this can exist. I am so grateful to you all."

"Rowcroft is like a family that embraces you in the darkest times. It wraps its arms around you when you need it most."

"The whole team were absolutely awesome. You took care of Mum and me so kindly and compassionately in the last days of her life. The way you communicated with us and other professionals was just brilliant. I can't begin to thank you for the way you handled Mum after her death. The respect and tenderness you showed is something that will stay with me and my daughters forever."

SERVICE REVIEW

Numbers of patients/ beneficiaries in 2024/25 by service:

- **Inpatient Unit (IPU) 12 beds: 295 patient admissions [2023/24: 255]**

"I would like to thank all the staff for looking after my husband. We really appreciate your kindness towards him and the support you gave to my daughter and myself in those difficult times."

- **Community specialist palliative care: 1,652 patient referrals [2023/24: 1,521]**

"I had the pleasure of meeting my Clinical Nurse Specialist today and she was lovely. Very informative and very patient. I feel reassured that my wishes will now be adhered to as best as can be. She answered my questions sincerely in a simple way. She is giving me practical help with medication as well, interacting with my doctor on my behalf. I feel very reassured."

- **Hospice at Home (24/7): 604 patient referrals [2023/24: 552]**

"As a family we are eternally grateful to the Hospice at Home Team. My brother received the best possible care. He was treated with the utmost dignity and respect. I felt listened to and totally included with regards to his care and medications treatment plan. Advice was a phone call away. He could not have been in better hands. All of your nursing team are magnificent. Thank you."

- **Education (End of life care training): 609 attendees [2023/24: 928]**

"Rowcroft Education is a brilliant resource and empowers health and social care professionals, volunteers and others to provide more holistic care for those in some of the most fragile times of their lives. It's wonderful to have such a caring team on our doorstep. Thank you."

ROWCROFT HOUSE FOUNDATION LIMITED

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

Progress on 2024/25 priorities:

"I think the most important factor was and is the personal and obvious care and concern, with which I love being treated. I cannot think of anything better than what has been gifted to me."

Safe: By "Safe", we mean that people are protected from abuse and avoidable harm.

- Implementation of E-Prescribing & Medicines Administration (EPMA) within IPU

We fully implemented electronic prescribing and medicines administration (EPMA) within our medical records system (SystemOne) in the Inpatient Unit (IPU) in early February 2025. Feedback has been overwhelmingly positive and the implementation has gone smoothly.

- To implement an escalation activity tool

Built within our data management system, Vantage, this bespoke tool considers both safe staffing levels and patient complexity and also monitors pressures in the medical, housekeeping, community and Hospice at Home teams. This represents a key step in our commitment to ensuring clinically safe and effective patient care.

Effective: By "Effective", we mean that people's care, treatment and support achieve good outcomes, promote a good quality of life and are evidence-based where possible.

- Improved data capture and visibility

We implemented a new and improved single Key Patient Information screen within SystemOne, which has been well received by our teams, and enables them to see key information about a patient in one place.

- To explore the use of digital dictation and digital transcription

Plans to explore digital dictation and transcription were paused to prioritise improvements in data collection, care plans and the rollout of e-prescribing in the Inpatient Unit. We aim to progress this work in 2025–26.

Responsive: By "Responsive" we mean services are organised to meet people's needs.

- Continued commitment to non-medical prescribing

We continue to support members of our team to become non-medical prescribers (NMPs) and hold NMP support events for the Rowcroft team members.

- To trial & implement the use of text and email facilities within our patient record system

Plans to introduce text messaging and email through SystemOne were paused over the past year; however, we aim to trial these features in the coming year to enhance communication, enabling us to send messages, forms and feedback electronically when telephone contact isn't possible.

ROWCROFT HOUSE FOUNDATION LIMITED

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

Caring: By “Caring”, we mean that staff involve and treat people with compassion, kindness, dignity and respect.

- Roll out an inclusion strategy – meet the needs of those who experience exclusion.

We have identified seven inclusive care priorities to help support underrepresented groups more effectively:

Our inclusive care priorities: People with conditions other than cancer, frailty and dementia, racialised communities, LGBT, learning disabilities, prisoners, homeless.

We have also rolled out a comprehensive equality, diversity and inclusion (EDI) training programme for all staff so they can deliver more inclusive care and challenge barriers to access

- A ‘tech for better care’ project – creating an app for those at end of life who are not always able to express themselves or communicate when in pain or distress

Work continued on the ‘tech for better care’ project, to deliver an app for those living with end-stage organ failure, frailty, dementia and other causes of cognitive decline, or those who may have no fixed abode or live alone and are not always able to express themselves or communicate when they are in pain or distress. The team developed a presentation summarising the project’s concept and were chosen to display this at the 2024 Hospice UK National Conference. The next stage is to explore further funding to take the app forward for development.

Well-led: By “Well Led”, we mean that the leadership, management and governance of the organisation assures the delivery of high-quality person-centered care, supports learning and innovation, and promotes an open and fair culture.

- Enhance quality improvement engagement in our teams

At the start of 2025, we implemented an additional part of Rowcroft’s RISE (Reflect, Innovate, Suggest and Engage) initiative, RISE QI. By launching RISE QI and encouraging thinking around quality improvement, we aim to empower staff to drive continuous enhancements in care. This will help us to consistently meet the evolving needs of our patients and families while fostering a culture of innovation and excellence.

Priorities for 2025/26:

Safe:

- **Continue our Patient Safety Incident Response Framework (PSIRF) journey.**
We are committed to fostering a no-blame, learning-focused environment. We will build on the restorative culture within our teams and we will actively engage with patients, families, all staff and volunteers, so that we listen, value experiences, and co-design improvements to build safety and trust across our services.
- **Development of System One and implementation of Brigid mobile working app.**
We are redeveloping our System One setup and implementing the “Brigid” mobile working app to strengthen safe, effective, and person-centred care. This will improve real-time access to information to support clinical decision-making and ensure that our patients’ safety and wellbeing remain at the heart of all we do.

ROWCROFT HOUSE FOUNDATION LIMITED

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

Effective:

- **Digital dictation and transcription for clinical teams.**
We will continue to explore the use of digital dictation and digital transcription within our clinical team to reduce the time spent on clinical documentation whilst improving patient care.
- **Rowcroft clinical faculty.**
We are continuing to develop the clinical faculty to help staff develop and maintain their clinical knowledge by giving them opportunities to access various courses

Responsive:

- **Patient feedback and family involvement through our new clinical strategy.** We are actively engaging patients and families so that their voices shape our care planning, delivery and improvement, across all of our activities.
- **Exploration of seven-day administrative cover in our IPU.**
We are transitioning to a single unified Patient Care Support Team and extending coverage to provide seven-day Inpatient Unit care and a more consistent quality experience for those in the IPU or visiting loved ones.

Caring:

- **Inclusive patient experience survey.**
We are connecting with a new patient experience survey provider, enabling patients and families to share their whole story and experiences, whether in words or in pictures, so that we hear feedback from everyone.

Well-led:

- **Clinical educator post.**
We are introducing a clinical educator to promote a culture of continuous learning and professional growth. Through ongoing training, mentorship and support, clinical educators ensure staff are equipped with current, evidence-based knowledge and skills. This fosters a positive, empowered workforce and reflects strong leadership that values openness, innovation and development.
- **Clinical dementia lead.**
The clinical dementia lead will undertake an audit for a baseline assessment and propose improvements in training and the hospice environment for patients with dementia.

ROWCROFT HOUSE FOUNDATION LIMITED**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****FINANCIAL REVIEW**

Total funds (note 22) reduced to £16.8m [2022/23: £16.8m]

Total incoming resources can be summarised as follows:

• NHS grant funding	£2.7m	23%	[2023/24:	£2.7m	28%]
• Fundraising income	£2.7m	23%	[2023/24:	£2.2m	23%]
• Retail income	£2.3m	19%	[2023/24:	£2.3m	24%]
• Legacy income	£3.5m	29%	[2023/24:	£1.7m	17%]
• Other	£0.8m	6%	[2023/24:	£0.8m	8%]
• Total income	£12m	100%	[2023/24:	£9.7m	100%]

Income generation (fundraising & retail) as a percentage of total income: 42% [2023/24: 47%].

Legacy income as a percentage of total income: 29% [2023/24: 17%]

NHS grant income as a percentage of total income: 23% [2023/24: 28%]

Total outgoing resources can be summarised as follows:

• Inpatient Unit	£3.8m	34%	[2023/24:	£3.6m	32%]
• Community Services	£1.9m	17%	[2023/24:	£1.9m	17%]
• Hospice at Home	£1.1m	10%	[2023/24:	£1.1m	11%]
• Education	£0.2m	2%	[2023/24:	£0.2m	2%]
• Retail	£2.3m	21%	[2023/24:	£2.8m	25%]
• Fundraising and Lottery	£1.2m	11%	[2023/24:	£1m	9%]
• Other	£0.6m	5%	[2023/24:	£0.5m	4%]
• Total expenditure	£11.1m	100%	[2023/24:	£11.1m	100%]

Net income after costs from income generation: £1.5m [2023/24: £0.8m]

Expenditure on charitable activities: 63% of total [2023/24: 62%]

Expenditure on raising funds: 37% of total [2023/24: 38%]

Reserves at the year-end: £7.8m [2023/24: £6.9m]

Reserves representing 8 months of expenditure [2023/24: 8 months]

ROWCROFT HOUSE FOUNDATION LIMITED

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

RISK MANAGEMENT

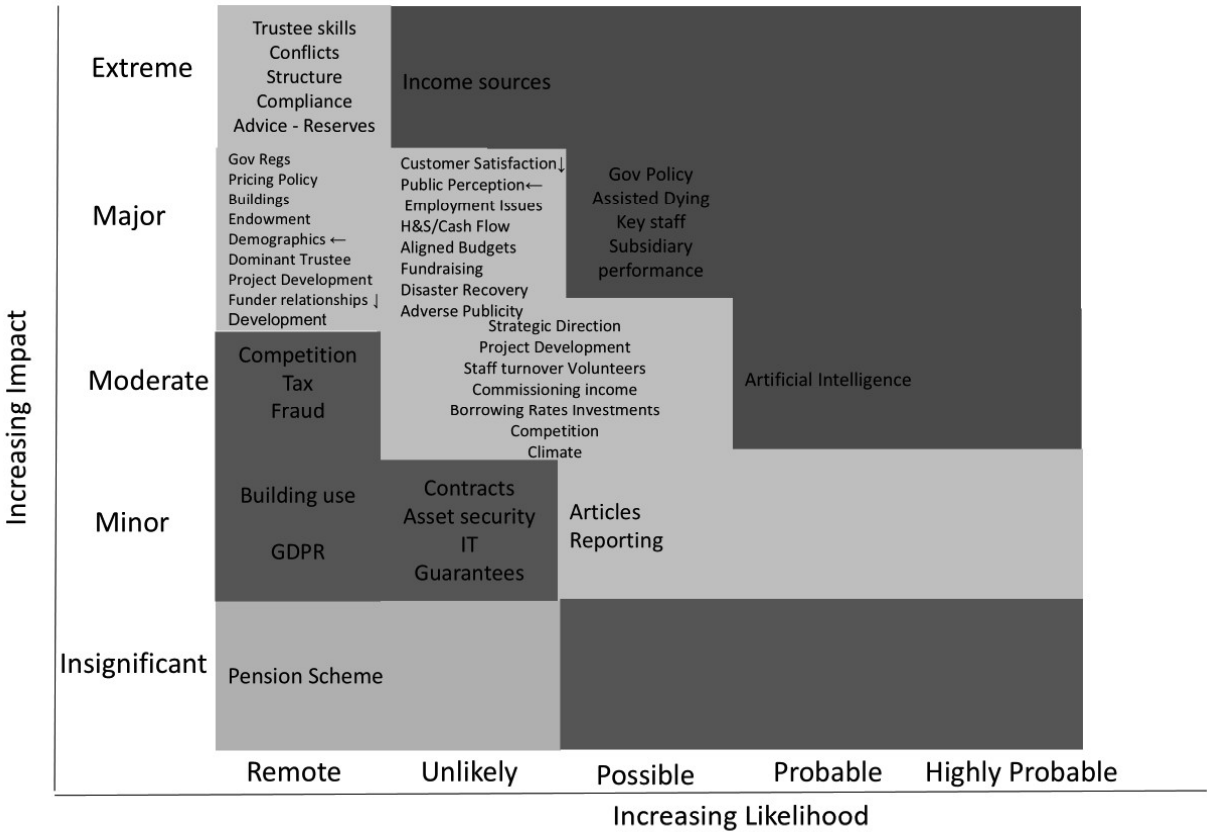
The Rowcroft risk policy design and section headers are in line with Charity Commission guidance, Charities and risk management (CC26).

Risk awareness is embedded within the organisation and risk management is factored into business planning, performance management, audit and assurance, business continuity management and project management. All projects and events consider risks specific to their particular context and in accordance with the risk management policy. Strategic risks that could have a major impact on Rowcroft as a whole are reviewed by the Board of Trustees.

The Hospice uses the following categories to identify and manage strategic risk:

- Governance
- Operations
- Finances
- Environment (including public opinion/relationship with funders)
- Compliance (legal and regulatory i.e. CQC)
- People

Rowcroft Strategic Risk Register Summary March 2025



ROWCROFT HOUSE FOUNDATION LIMITED**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****Rowcroft Strategic Risk Register: Significant risks**

Risk Identified	Impact	Unmitigated Impact / Likelihood	Controls	Further mitigations	Residual Impact / Likelihood
Finances: Dependency on existing income sources	Cash flow and revenue impact of significant reductions in income	Extreme / Possible	-3Yr NHS grant -Prudent Legacy income budgeting -Consistent/ regular activity and comms on fundraising and retail activity	-Supporter database monitoring -Increasing NHS engagement e.g. annual dementia conference	Extreme / Unlikely
Finances: Inappropriate or loss-making non-charitable trading activities	Resources for key objectives reduced. Resources diverted from profitable fundraising.	Extreme / Possible	-Investments in Subs' limited to annual returns from investments. -Regular performance reviews	Non charitable entities have their own Board of Directors	Extreme / Unlikely
Environment: Government policy	Grant funding, impact on donations, impact of regulation on activities. Assisted dying bill.	Major / Possible	-Members of the appropriate umbrella org's: Hospice UK, Fundraising regulator. -Co Sec /FD memberships of professional bodies	Monitor proposed legal and regulatory changes (supported by Tozers and Stephens Scown LLP)	Major / Possible
Environment: Artificial Intelligence (AI)	Expansion of AI into all aspects of Rowcroft business and services	Major / Possible	-Monitoring developments -Supporting use in clinical trials. -Exploring opportunities for back office		Major / Possible
Governance: Loss of key leadership staff	Experience/ skills lost. Operational impact on key priorities. Loss of contact base and knowledge.	Major / Possible	-Workforce plan & strategy - Min. 3 month notice periods - Strong annual / 6mth review process	Professional development encouraged and funded	Major / Possible

ROWCROFT HOUSE FOUNDATION LIMITED

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

RESERVES POLICY

Reserves are required in order that the group is protected against future events known and unknown and to maximise future opportunities and weather future challenges.

For the hospice to meet its objectives of providing care for patients suffering from life-limiting illnesses, the Board of Trustees (the "Board") has considered the group's resources and commitments. The hospice has a long-term commitment to people throughout South Devon and it requires long-term plans.

Much of the hospice's income comes from voluntary giving and is therefore volatile and cannot be guaranteed. Much of the hospice's expenditure however is fixed, due to the nature of the work, its commitment to delivering services and hence a major proportion of costs being in staffing.

Against these considerations, the Board is conscious of the need to apply charitable funds in a timely fashion and to avoid building up excessive levels of reserves. By law, income received must be spent within a reasonable period unless there is good reason not to do so.

Having regard to these factors, the Board believes that an appropriate balance is to hold a level of available reserves which would allow the group to meet its financial obligations as well as to facilitate initiatives which further its charitable aims.

The policy should be regularly monitored and its effectiveness reviewed in the light of the changing funding and financial climate and other risks. The Board conducts a formal review once a year at the time of approving the next year's budget.

The benefit of a reserves policy is:

- To assist in strategic planning, for example considering how new projects or activities will be funded.
- To inform the budget process, for example, is it a balanced budget or do reserves need to be drawn down or built up?
- To inform the budget and risk management process by identifying any uncertainty in future income streams.
- To demonstrate to beneficiaries, donors, funders and the wider public that the charity is acting to protect the group from future challenges and changes in economic circumstances.

Guiding principles to justify the level of reserves and their use:

- To protect and sustain the group's charitable activities should income or expenditure become seriously out of line with expectations.
- To have a level of funds available to support charitable initiatives which fall outside the annual plan.
- To have a sufficient level of funds available to support new long-term initiatives in their launch phase and before fundraising support can be fully realised.

Definition of Reserves for this policy:

Reserves for the purposes of this policy are equal to the sum of general funds as detailed in the notes to the group's financial statements, these are the amounts of unrestricted funds that are freely available to spend on the group's activities. This can also be represented as:

Total Unrestricted Funds less:

- Capital Fund.
- The Endowment Trust Fund.
- Hospice Build Fund

All of which are unrestricted funds but have been allocated to specific activities and are not freely available.

ROWCROFT HOUSE FOUNDATION LIMITED

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

Level of reserves necessary to meet the objective of this reserves policy

- A minimum of 6 months of total operating costs of the group in the budget for the following year [FY25/26 £5.8m], plus
- A discretionary “Opportunity Fund” of £0.2m to be allocated from reserves each year to support initiatives proposed by the Executive and approved by the Trustees
- Total reserves of £6.0m for the year to 31 March 2026

Should reserves, once established, either be forecast to, or fall below this level for whatever reason, immediate steps will be taken to reinstate them over a reasonable period.

The Board also recognises that keeping reserves at this level would, in the unlikely event of the charity having to cease operations, be sufficient to pay for winding up liabilities.

INVESTMENT POLICY

Overview & Scope

The Trustees intend that the real value of the Groups assets and funds (collectively Invested Assets) be maintained and enhanced over the medium to long term (5 years).

Invested Assets to comprise a mix of:

- **Financial Investments:** a portfolio comprising equities, fixed income stocks and cash, intended to increase their value and produce a financial return to support the operating costs of the charity over the long term.
- **Treasury Management:** Interest bearing cash deposits; specifically intended to maintain their overall value while safeguarding the cash against counterparty risk.
- **Non-financial Investments:** in non-financial assets including land and property, intended to increase their value and produce a financial return to support the operating costs of the charity over the long term.
- **Subsidiary investments:** including trading subsidiaries, intended to increase their value and produce a financial return to support the operating costs of the charity over the long term. Predominantly the re-investment of returns from financial, treasury management and non-financial investments.

The aim is to achieve the best financial return within an acceptable level of risk while maintaining sufficient liquidity for operations and opportunities.

The Trustees delegate oversight of Rowcroft’s Invested Assets to the Finance and Investment Committee who manage a framework of controls over the risk appetite for each individual invested asset. The Trustees use Quilter Cheviot to act as their agents to manage a diversified portfolio of suitable financial investments. The Financial Investment mandate risk is reviewed annually at a meeting of the Rowcroft Finance and Investment Committee.

Social investments

Trustees are permitted to take Rowcroft’s purpose and values into account when making investment decisions, even if a particular investment might provide a lower return than an alternative. This may be in the charity’s best interests if it reflects the charity’s values and charitable purpose.

ROWCROFT HOUSE FOUNDATION LIMITED

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

Responsible & ethical investment

Our aim is to maximise the return on the investments held with our investment manager over the long term within an appropriate risk framework. We will not make investments that conflict with our Vision and Values and we will protect our charity's reputation by being a responsible investor.

Our decisions and actions are informed by three related principles: positive public health and wellbeing, responsible investment and low reputational risk:

- **Positive public health and wellbeing** – we will not invest in organisations whose principal products or services are evidenced to be detrimental to the health and wellbeing of individuals and society. According to this principle, we instruct our investment managers not to invest in companies whose principal activities promote tobacco. They are also instructed to avoid collective investment vehicles that invest in companies whose principal activities promote tobacco. We are prepared to accept the possibility of lower returns to avoid such investments.
- **Responsible investment** – the charity wishes to be a responsible investor, and as such, we will avoid investing in organisations with a negative track record and/or poor strategy on environmental, social and governance (ESG) issues. While we accept that ESG screening is not yet comprehensive, and that a company may perform more positively against some ESG criteria but negatively against others, our overall aim is to invest in companies that demonstrate strong ESG performance. While these examples are not exhaustive, environmental criteria include a company's carbon emissions strategy, ending deforestation, pollution and stewardship of the natural environment. Social criteria include how a company manages relationships with employees, suppliers, customers, and the communities in which it operates, including promoting diversity and inclusion. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, we expect our investment managers to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate.
- **Low reputational risk** - our charity will seek to avoid investing in organisations that we reasonably believe beneficiaries, supporters, and other stakeholders would be averse to. Examples include high stakes gambling or high interest money lending, this list to be reviewed from time to time.

Review/reporting

The Trustees will regularly consider whether there is a need to revise this policy statement and keep under review the arrangements under which the agent acts.

The Trustees require valuations on a quarterly basis and a year-end report containing detailed information relating to income and gains for use by the charity's auditors. The Trustees expect the investment manager to attend a meeting of the Finance and Investment Committee at least once a year to report in person and regularly appraise the Finance and Commercial Director during the year.

We will implement this policy in a pragmatic manner to optimise returns and we will be guided by our investment manager in terms of the specific timing of the sale or purchase of existing holdings in the event that these conflict with this policy.

ROWCROFT HOUSE FOUNDATION LIMITED

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

INVESTMENT IN SUBSIDIARIES

The Trustees monitor the intercompany balance with its subsidiary: Devon Farm Kitchen regularly to ensure appropriate compliance with governance and financial controls. With reference to SORP 1.24: while the company is currently loss-making with a net liability position, the directors expect the company to be profitable in the future. Revenues continue to grow, and the management team is further accelerating this growth through improved customer acquisition and retention strategies whilst driving up margins through process and cost efficiencies. In line with Charity Commission guidance CC35, the Trustees have considered the risks and the provision of financial support to Devon Farm Kitchen, ensuring that such arrangements are in the best interests of the Charity and do not expose its assets to undue risk.

INFORMATION OF FUNDRAISING PRACTICES

Fundraising activities

The Trustees monitor fundraising practices on an ongoing basis through a Non-Clinical Committee; meeting quarterly and at Board of Trustee meetings.

We believe in the highest possible standards for our fundraising, considering supporter preferences in all of our activity. We constantly ensure that all activities are compliant with regulatory standards and in line with the intent of those standards.

Rowcroft adopts the Fundraising Regulator standards and is committed to the Code of Fundraising practice.

During the year Rowcroft received no formal complaints arising from our fundraising.

Personal data

Rowcroft does not sell 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.

We encourage all supporters or beneficiaries to contact us with any comment or complaint, in the first instance to the Rowcroft team member responsible for the area of concern and then through our comments and complaints procedures, as published on our website.

Protecting vulnerable people and others

Rowcroft has robust practices that ensure that we do not undertake any intrusive fundraising activity 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 Rowcroft based upon their personal preferences shared with us or where relevant under legitimate interest.

ROWCROFT HOUSE FOUNDATION LIMITED

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

OUR PLANS FOR FUTURE PERIODS

Looking to the future, we face the challenge of an ageing population. The proportion of people over 65 in Devon is projected to increase from 1 in 4 today to 1 in 3 by 2040. In this evolving landscape, we need to extend our care in order to meet our vision and be true to our values. We plan to do so with three clear strategic goals, underpinned by 3 Strategic Pillars.

Strategic goals 2024 to 2030:

- a. **Deliver a specialist palliative care service to an impeccable standard when and where it is needed, 24/7, regardless of diagnosis or circumstance.**

Measure: Care Quality Commission (CQC) inspection / patient and family feedback.

Progress 2024/25: We ran 2 friends & family surveys during the year with 32 supportive and highly positive responses. We were not assessed by the CQC during the year.

- b. **Extend our delivery of palliative care to reach over 3,000 adults per year by 2030.**

Measure: referrals recorded.

Progress 2024/25: 2,551 referrals and admissions in the year, [2023/24: 2,328].

- c. **Build a sustainable future for the hospice (commercially and environmentally).**

Measure: balance sheet / Progress on environmental improvement goals.

Progress 2024/25: Net Assets rising to £16.8m [2023/24: £15.9m]. Introduction of two hospice electric vehicles, installation of electric vehicle charging points for those vehicles and staff use

Strategic pillars – 3T's:

- a. **Talent** **Build exceptional teams, united as one, embracing the future.**

- Invest in our people to build an effective and resilient workforce.
- Attract, develop, train and retain our talent.
- Create the environment and culture for our teams to thrive.
- Nurture a culture of 'one team' where colleagues work together for maximum impact.
- Provide a seamless patient and family experience across all services and ensure care is available when and where it is needed.

Progress 2024/25: Highlights include: onboarding five newly qualified nurses, roll out of Hospice wide equality, diversity and inclusion training, further development of our RISE programme (Reflect, Innovate, Suggest, Engage).

- b. **Technology** **Embrace innovation for greater impact.**

- Deploy technology that drives efficiency and impact across the organisation to enhance patient care.
- Utilise innovative systems and tools that help to provide best-in-class services to all stakeholders.
- Further develop the shared IT service model across Rowcroft and other hospices (and charities) to deliver enhanced technology and effectiveness.

Progress 2024/25: Highlights include: achieving Cyber Essentials plus accreditation, renewed network infrastructure, new wi-fi campus on site, introduction of the key patient information screen on our patient record system: System One.

ROWCROFT HOUSE FOUNDATION LIMITED

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

c. Together Engage our community at all levels, diversify income, remodel the hospice for the future.

- Continue to deliver our services to meet local needs by engaging and partnering with all key stakeholders in the community: including healthcare commissioners and other professionals within the broader healthcare system, as well as existing and potential supporters, organisations, trusts and corporates.
- Develop innovative income generation strategies (including social enterprises) to achieve a 10% share of core revenue by 2030. We will also safeguard our services by setting reserves at 50% of the hospice's annual running costs.
- Launch a new nursing home and prepare for the construction of an assisted living village on the Rowcroft estate.
- Ensure the future sustainability of the hospice by remodeling Main House wards and offices to provide the next generation of in-patient hospice care.

Progress 2024/25: Highlights include:

- Continued, meaningful engagement with our ICB (Integrated Care Board), our local NHS Trust and Healthwatch Torbay, our local health and social care champion.
- Devon Farm Kitchen subsidiary revenues growing by 30%.
- The Ella Rowcroft Endowment Trust growing in value (net assets) to over £1m.
- Preparations for the construction of a new nursing home, assisted living village and refurbishment of the Hospice wards progressing well with the costs of works to confirm planning consent budgeted for 2025/26.

Full copies of the Rowcroft Strategic plan available at:

[Rowcroft-Strategic-Plan-2024-30.pdf \(rowcrofthospice.org.uk\)](#)

ROWCROFT HOUSE FOUNDATION LIMITED

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

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Future plans and future funding have been considered during the going concern review, in light of the impact of the UK economic environment and the Trustees consider that there are sufficient reserves and reasonable and practical plans to ensure the going concern basis.

DISCLOSURE OF INFORMATION TO AUDITORS

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

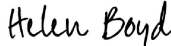
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

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

Signed by:

3CF1448BC31D440...

S A Scott-Bryant
Chair of Trustees
Date: 22 December 2025

Signed by:

08277FA7C2944B0...

H E Boyd
Trustee
Date: 18 December 2025

ROWCROFT HOUSE FOUNDATION LIMITED**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025**

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

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

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

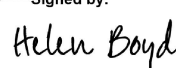
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity 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 on 22 December 2025 and signed on its behalf by:

Signed by:

 3CF1448BC31D440...

S A Scott-Bryant
Chair of Trustees

Signed by:

 08277FA7C2944B0...

H E Boyd
Trustee

ROWCROFT HOUSE FOUNDATION LIMITED**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED
FOR THE YEAR ENDED 31 MARCH 2025****Opinion**

We have audited the Financial Statements of Rowcroft House Foundation Limited (the “Charity”) for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, Group and Parent Company Balance Sheets, Statement of Consolidated Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- Give a true and fair view of the state of the group’s and charity’s affairs as at 31 March 2025 and of its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP)
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the Financial Statements and our auditor’s report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' report, (which includes the Strategic Report and Directors' report prepared for the purposes of company law) for the Financial Year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- The Strategic Report and Directors' Report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 21, the Trustees (who are also the Directors of the Charity 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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:

As part of our audit planning, we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the industry in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity. As part of this, we reviewed the Charity's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025

Legislation, compliance with the Care Quality Commission ("CQC"), safeguarding, health and safety regulations, food hygiene standards and The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We discussed with management and Trustees how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year, of which there were none.
- Reviewed audit documentation from the CQC to confirm compliance with standards, and ensuring continued registration with the CQC through the CQC website.
- Discussed with the Health and Safety Officer if any incidents have been reported during the year under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR").
- Discussed with the general manager of Devon Farm Kitchen Limited the company's Food Safety Management System and reviewed the most recent inspection report by Torbay Council.
- Review of the group's GDPR policy and enquiries to the Data Protection Officer as to the occurrence and outcome of any reportable breaches.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Reviewed Board minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none. We evaluated the risk of fraud through management override. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misapplication of grant funding.

In response to the identified risk, as part of our audit work we:

- Audited the risk of management override of controls, including through testing journal entries and other adjustments or appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business of which there were none.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION
LIMITED
FOR THE YEAR ENDED 31 MARCH 2025**

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 auditor's report.

Use of our Report

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

999771DCB5C24BA...

Neil Hitchings (Senior Statutory Auditor)

For and on behalf of
PKF FRANCIS CLARK, Chartered Accountants & Statutory Auditor
Centenary House,
Peninsula Park
Rydon Lane,
Exeter, EX2 7XE

Date: 22 December 2025

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER: 01561601

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

		Restricted Funds 2025 £	Unrestricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
	Note				
Income from:					
Donations and legacies	4	406,134	4,245,077	4,651,211	2,486,354
Charitable activities	5	1,182,995	1,566,152	2,749,147	2,687,938
Other trading activities	6	-	4,142,692	4,142,692	3,981,084
Investments	7	-	323,905	323,905	348,346
Other income	8	29,965	123,835	153,800	184,903
Total income		<u>1,619,094</u>	<u>10,401,661</u>	<u>12,020,755</u>	<u>9,688,625</u>
Expenditure on:					
Raising funds	9, 10	-	4,017,429	4,017,429	4,187,360
Charitable activities	11	1,599,614	5,455,285	7,054,899	6,893,364
Total expenditure		<u>1,599,614</u>	<u>9,472,714</u>	<u>11,072,328</u>	<u>11,080,724</u>
Net expenditure before net gains/(losses) on investments		19,480	928,947	948,427	(1,392,099)
Net gains/(losses) on investments		-	(73,078)	(73,078)	546,784
Net income/(expenditure)		<u>19,480</u>	<u>855,869</u>	<u>875,349</u>	<u>(845,315)</u>
Transfer between funds	22	10,805	(10,805)	-	-
Net movement in funds		<u>30,285</u>	<u>845,064</u>	<u>875,349</u>	<u>(845,315)</u>
Reconciliation of funds:					
Total funds brought forward		408,802	15,496,954	15,905,756	16,751,071
Net movement in funds		30,285	845,064	875,349	(845,315)
Total funds carried forward		<u>439,087</u>	<u>16,342,018</u>	<u>16,781,105</u>	<u>15,905,756</u>

The notes on pages 30 to 50 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER: 01561601

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2025

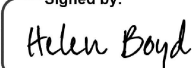
	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	4,799,623	4,806,384
Investments	16	6,071,578	6,032,653
		<u>10,871,201</u>	<u>10,839,037</u>
Current assets			
Stocks	17	222,584	304,982
Debtors	18	4,121,514	2,844,539
Investments	19	1,585,000	2,585,000
Cash at bank and in hand		1,313,431	608,508
		<u>7,242,529</u>	<u>6,343,029</u>
Creditors: amounts falling due within one year	20	(1,187,825)	(990,194)
Net current assets		<u>6,054,704</u>	<u>5,352,835</u>
Total assets less current liabilities		<u>16,925,905</u>	<u>16,191,872</u>
Provisions	21	(144,800)	(286,116)
Net assets		<u>16,781,105</u>	<u>15,905,756</u>
Charity funds			
Restricted funds	22	439,087	408,802
Unrestricted funds	22	16,342,018	15,496,954
Total funds		<u>16,781,105</u>	<u>15,905,756</u>

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

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

Signed by:

3CF1448BC31D440...
S A Scott-Bryant
Chair of Trustees
Date: 22 December 2025

Signed by:

08277FA7C2944B0...
H E Boyd
Trustee
Date: 18 December 2025

The notes on pages 30 to 50 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER: 01561601

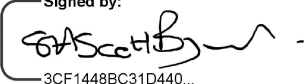
CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	4,799,623	4,806,384
Investments	16	5,066,515	5,148,262
		<u>9,866,138</u>	<u>9,954,646</u>
Current assets			
Stocks	17	110,277	198,432
Debtors	18	5,063,828	3,571,509
Investments	19	1,585,000	2,585,000
Cash at bank and in hand		1,229,874	482,005
		<u>7,988,979</u>	<u>6,836,946</u>
Creditors: amounts falling due within one year	20	<u>(1,171,263)</u>	<u>(983,771)</u>
Net current assets		<u>6,817,716</u>	<u>5,853,175</u>
Total assets less current liabilities		<u>16,683,854</u>	<u>15,807,821</u>
Provisions	21	<u>(144,800)</u>	<u>(286,116)</u>
Net assets		<u><u>16,539,054</u></u>	<u><u>15,521,705</u></u>
Charity funds			
Restricted funds	22	439,087	408,802
Unrestricted funds	22	16,099,967	15,112,903
Total funds		<u><u>16,539,054</u></u>	<u><u>15,521,705</u></u>

The charity's net movement in funds for the year was a surplus of £1,017,349 (2024: deficit of £735,526).

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:

Signed by:

 3CF1448BC31D440...
S A Scott-Bryant
 Chair of Trustees
 Date: 22 December 2025

Signed by:

 08277FA7C2944B0...
H E Boyd
 Trustee
 Date: 18 December 2025

The notes on pages 30 to 50 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash generated by operating activities	24	<u>(258,137)</u>	<u>(1,739,655)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		323,905	348,346
Purchase of tangible fixed assets		(255,887)	(412,896)
Proceeds from sale of tangible fixed assets		7,045	27,045
Proceeds from sale of investments		324,550	539,160
Purchase of investments		(436,553)	(698,292)
Net cash used in investing activities		<u>(36,940)</u>	<u>(196,637)</u>
Change in cash and cash equivalents in the year		(295,077)	(1,936,292)
Cash and cash equivalents at the beginning of the year		3,193,508	5,129,800
Cash and cash equivalents at the end of the year	25	<u>2,898,431</u>	<u>3,193,508</u>

The notes on pages 30 to 50 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025****1. GENERAL INFORMATION**

The Charity is a company limited by guarantee. The members of the Charity are the Trustees names on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The company number is 01561601 and charity number is 282723. The registered office is Rowcroft Hospice, Avenue Road, Torquay, Devon, TQ2 5LS.

2. ACCOUNTING POLICIES**2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Finance 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.

Rowcroft House Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The functional currency is pound sterling.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statement of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

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

2.2. GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity and its subsidiaries to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity and its subsidiaries to continue as a going concern have been identified by the Trustees.

2.3. INCOME

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

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****2. ACCOUNTING POLICIES (CONTINUED)****2.3. INCOME (CONTINUED)**

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

Donated services or facilities are recognised when the Group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of the invaluable volunteer time is not recognised in the income of the charity however please refer to the Trustee report for more information about this ongoing support.

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

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

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

Income raised through the operation of shops under the management of the charity and by the Friends of Rowcroft is considered at the time of the receipt by that organisation, and all costs attributable to these activities are included as payments in these financial statements.

Lottery income is accounted for based on the date of the lottery for which the ticket has been purchased.

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.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits 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.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****2. ACCOUNTING POLICIES (CONTINUED)****2.4 EXPENDITURE (CONTINUED)**

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management costs.

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.

2.5 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.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Assets under construction	- not depreciated until asset is brought into use

2.7 INVESTMENTS

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

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

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.8 STOCKS AND WORK IN PROGRESS

Stocks and work in progress 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.

2.9 DEBTORS

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

2.10 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.

2.11 LIABILITIES AND PROVISIONS

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

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

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

The dilapidations provision is based on the future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

2.12 FINANCIAL INSTRUMENTS

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

2.13 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.

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.14 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.

Staff who are eligible participate in the NHS Pension Scheme. The Scheme is an unfunded, multi-employer defined benefit scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

2.15 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 note 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.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

The Trustees have made judgements and estimations in the process of applying the entity's accounting policies which could result in uncertainty of the carrying amounts of assets and liabilities. Whilst there is a level of assumption in these judgements, the Trustees feel these are unlikely to have a significant effect on, or cause material error to the amounts recognised in the financial statements.

The Trustees have agreed the valuation of the listed investment portfolio as advised by the investment manager.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Costs incurred in connection with the proposed facilities development (as detailed in the Trustees' report) have been capitalised in the financial statements (note 15 – assets under construction).

A dilapidations provision of £144,800 has been included in the financial statements to 31 March 2025 as an estimate of future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****4. INCOME FROM DONATIONS AND LEGACIES**

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	163,562	697,786	861,348	648,054
Legacies	-	3,486,761	3,486,761	1,679,507
Grants	242,572	60,530	303,102	158,793
TOTAL 2025	<u>406,134</u>	<u>4,245,077</u>	<u>4,651,211</u>	<u>2,486,354</u>
TOTAL 2024	<u>260,031</u>	<u>2,226,323</u>	<u>2,486,354</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
In-patient unit	-	1,566,152	1,566,152	1,556,811
Community team	398,663	-	398,663	396,285
Hospice at Home	508,682	-	508,682	505,648
Health foundation	5,779	-	5,779	109,012
HUK Grant	158,301	-	158,301	-
Pharmacy	103,966	-	103,966	120,182
Other	7,604	-	7,604	-
TOTAL 2025	<u>1,182,995</u>	<u>1,566,152</u>	<u>2,749,147</u>	<u>2,687,938</u>
TOTAL 2024	<u>1,131,127</u>	<u>1,556,811</u>	<u>2,687,938</u>	

The income attributable to specific services and pharmacy income shown above is received from NHS Devon under a 3-year grant agreement.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****6. INCOME FROM OTHER TRADING ACTIVITIES****Income from fundraising events**

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from fundraising events			
Lottery	528,302	528,302	512,222
Fundraising events	963,154	963,154	894,096
Fundraising trading (shops)	2,324,464	2,324,464	2,324,085
Income from non-charitable trading activities			
Sales – Devon Farm Kitchen	326,772	326,772	250,681
TOTAL 2025	<u>4,142,692</u>	<u>4,142,692</u>	<u>3,981,084</u>
TOTAL 2024	<u>3,981,084</u>	<u>3,981,084</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from listed investments	297,384	297,384	326,678
Bank interest	26,521	26,521	21,668
TOTAL 2025	<u>323,905</u>	<u>323,905</u>	<u>348,346</u>
TOTAL 2024	<u>348,346</u>	<u>348,346</u>	

8. OTHER INCOMING RESOURCES

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Other income	29,965	123,063	153,028	175,075
Gain on disposal of assets	-	772	772	9,828
TOTAL 2025	<u>29,965</u>	<u>123,835</u>	<u>153,800</u>	<u>184,903</u>
TOTAL 2024	<u>29,518</u>	<u>155,385</u>	<u>184,903</u>	

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****9. EXPENDITURE ON RAISING FUNDS****Fundraising expenses**

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Shop costs*	489,900	489,900	669,894
Lottery costs	175,750	175,750	174,406
Event costs	1,037,092	1,037,092	786,270
Shops - wages and salaries	1,797,838	1,797,838	2,102,347
Investment management fees	29,635	29,635	30,160
TOTAL 2025	<u>3,530,215</u>	<u>3,530,215</u>	<u>3,763,077</u>
TOTAL 2024	<u>3,763,077</u>	<u>3,763,077</u>	

*Shop costs include £nil (2024: £286,116) in respect of a dilapidations provision.

10. TRADING SUBSIDIARY EXPENSES – DEVON FARM KITCHEN

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Cost of sales	149,989	149,989	117,843
Administration expenses	148,561	148,561	127,106
Administration staff costs	188,664	188,664	179,334
TOTAL 2025	<u>487,214</u>	<u>487,214</u>	<u>424,283</u>
TOTAL 2024	<u>424,283</u>	<u>424,283</u>	

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****11. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
In-patient unit	2,030,733	1,534,253	3,564,986	3,278,198
Community team	1,573,491	284,098	1,857,589	1,908,766
Hospice at Home	955,686	168,562	1,124,248	1,170,772
Education	132,636	103,311	235,947	225,202
Restricted depreciation	-	108,117	108,117	80,127
Unrestricted depreciation	-	148,058	148,058	177,499
Governance costs	-	15,954	15,954	52,800
TOTAL 2025	<u>4,692,546</u>	<u>2,362,353</u>	<u>7,054,899</u>	<u>6,893,364</u>
TOTAL 2024	<u>4,562,598</u>	<u>2,330,766</u>	<u>6,893,364</u>	

In 2025, of the total expenditure on charitable activities, £5,455,285 (2024: £5,386,051) was to unrestricted funds and £1,599,614 (2024: £1,507,313) was to restricted funds.

12. AUDITORS REMUNERATION

	Group 2025 £	Group 2024 £
Fees payable to the company's Auditor for the audit of the group's annual accounts	15,250	15,250
Fees payable to the charity's Auditor in respect of: All non-audit services not included above	6,550	6,550

13. STAFF COSTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries*	6,761,858	6,454,606	6,601,292	6,286,560
Social security costs	606,780	573,013	592,068	561,725
Contribution to defined contribution pension schemes	554,442	507,566	542,630	507,566
	<u>7,923,080</u>	<u>7,535,185</u>	<u>7,735,990</u>	<u>7,355,851</u>

*Wages and salaries cost for the year ended 31 March 2024 included £344,599 release of holiday and overtime previously accrued.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****13. STAFF COSTS (CONTINUED)**

During the year ended 31 March 2025, the charity made termination payments (including PILON) totalling £90,008. This has been recognised within the 2024/25 annual accounts with no provision required in either the current or previous financial years.

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

Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
261	289	255	282

The average headcount expressed as full-time equivalents was:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Medical, nursing and professional	85	81	85	81
Domestic and maintenance	13	14	13	14
Administration and fundraising	46	46	41	40
Charity shops	42	44	42	44
	186	185	181	179

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

	Group 2025 £	Group 2024 £
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	-	-
In the band £80,001 - £90,000	1	2
In the band £100,001 - £110,000	-	-
In the band £110,001 - £120,000	1	1

Remuneration and benefits for key management personnel (including employers' national insurance and pension contributions) totalled £464,925 (2024: £444,533).

14. TRUSTEES REMUNERATION AND EXPENSES AND RELATED PARTY TRANSACTIONS

During the year ended 31 March 2025, no Trustees received any remuneration or other benefits (2024 - £nil).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £nil).

During the year ended 31 March 2025, there were no related party transactions requiring disclosure (2024 - £nil).

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

15. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Assets under construction* £	Total £
COST OR VALUATION						
At 1 April 2024	7,822,607	799,383	155,997	1,923,511	979,251	11,680,749
Additions	25,828	14,869	21,961	159,922	33,307	255,887
Disposals	(1,301)	-	(19,563)	(377,047)	-	(397,911)
At 31 March 2025	7,847,134	814,252	158,395	1,706,386	1,012,558	11,538,725
DEPRECIATION						
At 1 April 2024	4,462,156	637,571	93,167	1,681,471	-	6,874,365
Charge for the year	76,031	57,759	12,280	110,305	-	256,375
On disposals	(832)	-	(15,153)	(375,653)	-	(391,638)
At 31 March 2025	4,537,355	695,330	90,294	1,416,123	-	6,739,102
NET BOOK VALUE						
At 31 March 2025	3,309,779	118,922	68,101	290,263	1,012,558	4,799,623
At 31 March 2024	3,360,451	161,812	62,830	242,040	979,251	4,806,384

*Assets under construction relate to planning and design for further development on the freehold site.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****16. FIXED ASSET INVESTMENTS**

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2024	6,032,653
Additions	436,553
Disposals	(324,550)
Revaluations	(73,078)
At 31 March 2025	6,071,578
NET BOOK VALUE	
AT 31 MARCH 2025	6,071,578
AT 31 MARCH 2024	6,032,653

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2024	1	5,148,261	5,148,262
Additions	-	294,424	294,424
Disposals	-	(324,550)	(324,550)
Revaluations	-	(51,621)	(51,621)
At 31 March 2025	1	5,066,514	5,066,515
NET BOOK VALUE			
AT 31 MARCH 2025	1	5,066,514	5,066,515
AT 31 MARCH 2024	1	5,148,261	5,148,262

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****17. STOCKS**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Raw materials and consumables	6,214	3,790	-	-
Work in progress	3,558	1,325	-	-
Goods for resale	212,812	299,867	110,277	198,432
	<u>222,584</u>	<u>304,982</u>	<u>110,277</u>	<u>198,432</u>

18. DEBTORS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Amounts owed by group undertakings	-	-	985,112	736,706
Other debtors	303,105	399,013	299,393	395,677
Prepayments and accrued income	369,332	403,809	330,246	397,409
Tax recoverable	66,768	59,605	66,768	59,605
Legacies receivable	3,382,309	1,982,112	3,382,309	1,982,112
	<u>4,121,514</u>	<u>2,844,539</u>	<u>5,063,828</u>	<u>3,571,509</u>

19. FIXED TERM DEPOSITS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed term deposits	<u>1,585,000</u>	<u>2,585,000</u>	<u>1,585,000</u>	<u>2,585,000</u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	494,994	305,771	487,899	297,421
Other taxation and social security	142,048	136,738	142,048	136,738
Other creditors	69,034	67,550	69,035	67,551
Accruals and deferred income	481,749	480,135	472,281	482,061
	<u>1,187,825</u>	<u>990,194</u>	<u>1,171,263</u>	<u>983,771</u>

21. PROVISIONS

	Dilapidations £
At 1 April 2024	286,116
Release of provision	(141,316)
At 31 March 2025	<u>144,800</u>

The Group dilapidations provision is based on the future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

22. CONSOLIDATED STATEMENT OF FUNDS

CONSOLIDATED STATEMENT OF FUNDS – CURRENT YEAR

	Balance at 1 April 2024 £	Incoming resources £	Expenditure £	Transfer £	Gains / (losses) £	Balance at 31 March 2025 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	4,599,849	-	(131,482)	65,507	-	4,533,874
The Endowment Trust	982,129	70,762	(4,598)	-	(21,457)	1,026,836
Hospice build fund	3,000,000	-	-	-	-	3,000,000
	<u>8,581,978</u>	<u>70,762</u>	<u>(136,080)</u>	<u>65,507</u>	<u>(21,457)</u>	<u>8,560,710</u>
GENERAL FUNDS						
General funds	7,513,054	10,004,127	(8,823,152)	(76,312)	(51,621)	8,566,096
Trading subsidiary	(598,078)	326,772	(513,482)	-	-	(784,788)
	<u>6,914,976</u>	<u>10,330,899</u>	<u>(9,336,634)</u>	<u>(76,312)</u>	<u>(51,621)</u>	<u>7,781,308</u>
TOTAL UNRESTRICTED FUNDS	<u>15,496,954</u>	<u>10,401,661</u>	<u>(9,472,714)</u>	<u>(10,805)</u>	<u>(73,078)</u>	<u>16,342,018</u>
RESTRICTED FUNDS						
In-patient improvements - capital	80,880	-	(26,961)	-	-	53,919
RBS improvements - capital	24,616	-	(8,206)	-	-	16,410
Garden access improvements - capital	54,046	-	(12,885)	-	-	41,161
Specified use donations - capital	46,993	31,700	(26,046)	-	-	52,647
Specified use donations - revenue	202,267	387,818	(439,417)	-	-	150,668
Hospice Capital grant	-	158,301	(34,019)	-	-	124,282
Education income - revenue	-	29,965	(29,965)	-	-	-
Primary Care Trust Funding - revenue	-	1,011,310	(1,022,115)	10,805	-	-
	<u>408,802</u>	<u>1,619,094</u>	<u>(1,599,614)</u>	<u>10,805</u>	<u>-</u>	<u>439,087</u>
TOTAL RESTRICTED FUNDS	<u>408,802</u>	<u>1,619,094</u>	<u>(1,599,614)</u>	<u>10,805</u>	<u>-</u>	<u>439,087</u>
TOTAL OF FUNDS	<u>15,905,756</u>	<u>12,020,755</u>	<u>(11,072,328)</u>	<u>-</u>	<u>(73,078)</u>	<u>16,781,105</u>

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

22. CONSOLIDATED STATEMENT OF FUNDS (CONTINUED)

CONSOLIDATED STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 April 2023	Incoming resources	Expenditure	Transfer	Gains / (losses)	Balance at 31 March 2024
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	4,393,179	-	(206,226)	412,896	-	4,599,849
The Endowment Trust	888,724	36,918	(7,892)	-	64,379	982,129
Hospice build fund	-	-	-	3,000,000	-	3,000,000
	<u>5,281,903</u>	<u>36,918</u>	<u>(214,118)</u>	<u>3,412,896</u>	<u>64,379</u>	<u>8,581,978</u>
GENERAL FUNDS						
General funds	11,368,613	7,980,350	(8,905,418)	(3,412,896)	482,405	7,513,054
Trading subsidiary	(394,884)	250,681	(453,875)	-	-	(598,078)
	<u>10,973,729</u>	<u>8,231,031</u>	<u>(9,359,293)</u>	<u>(3,412,896)</u>	<u>482,405</u>	<u>6,914,976</u>
TOTAL UNRESTRICTED FUNDS	<u>16,255,632</u>	<u>8,267,949</u>	<u>(9,573,411)</u>	<u>-</u>	<u>546,784</u>	<u>15,496,954</u>
RESTRICTED FUNDS						
In-patient improvements - capital	107,841	-	(26,961)	-	-	80,880
RBS improvements - capital	32,822	-	(8,206)	-	-	24,616
Garden access improvements - capital	66,931	-	(12,885)	-	-	54,046
Specified use donations - capital	79,068	-	(32,485)	410	-	46,993
Specified use donations - revenue	208,777	369,044	(375,144)	(410)	-	202,267
Education income - revenue	-	29,517	(29,517)	-	-	-
Primary Care Trust Funding - revenue	-	1,022,115	(1,022,115)	-	-	-
	<u>495,439</u>	<u>1,420,676</u>	<u>(1,507,313)</u>	<u>-</u>	<u>-</u>	<u>408,802</u>
TOTAL RESTRICTED FUNDS	<u>495,439</u>	<u>1,420,676</u>	<u>(1,507,313)</u>	<u>-</u>	<u>-</u>	<u>408,802</u>
TOTAL OF FUNDS	<u><u>16,751,071</u></u>	<u><u>9,688,625</u></u>	<u><u>(11,080,724)</u></u>	<u><u>-</u></u>	<u><u>546,784</u></u>	<u><u>15,905,756</u></u>

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

22. CONSOLIDATED STATEMENT OF FUNDS (CONTINUED)

Transfers from restricted to general funds represent fixed assets purchased from restricted funds.

Designated funds

The Capital fund represents the net book value of the charity's unrestricted tangible fixed assets and is therefore not available for any other purpose.

The Ella Rowcroft Endowment Trust (The Endowment Trust) - to support the ongoing activities of Rowcroft Hospice by establishing, building and investing an endowment fund.

The Hospice build fund

The Hospice build fund represents the charity's contribution from funds to a capital appeal to raise £10m to build a new hospice inpatient unit on site. Previously a strategic project fund was held to fund the planning for this hospice build and two other projects: a specialist nursing home and an assisted living accommodation centre. Planning consent has been received and the capital appeal for the hospice build has commenced.

Restricted funds

Department of Health grants have been received in previous years for ongoing improvement programmes, represented in the following funds:

- Inpatient improvements fund.
- RBS outpatient centre improvements fund.
- Garden access improvements fund.

Specified use donations are received each year from supporters and from grant making bodies towards specific projects – as represented in the specified use capital and revenue funds

The Hospice Capital Grant fund represents a grant of £158,301 from the DHSC, via Hospice UK. This income has been spent in full on capital assets during the year.

The education income fund represents grants and donations towards the provision of end-of-life care education and training.

The Primary Care trust fund represents annual NHS funding through the NHS Devon Integrated Care Board (ICB).

General funds

The Trading subsidiary fund relates to the social enterprise: Devon Farm Kitchen, the year-end balance being the first four years' deficits for this subsidiary. The business continues to grow and following regular reviews of performance, the current negative balance is expected to be a short-term position as the business grows further and becomes profitable.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****23. ANALYSIS OF NET ASSETS BETWEEN FUNDS****ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR**

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	288,419	4,511,204	4,799,623
Fixed asset investments	-	6,071,578	6,071,578
Current assets	150,668	7,091,861	7,242,529
Creditors due within one year	-	(1,187,825)	(1,187,825)
Provisions	-	(144,800)	(144,800)
TOTAL	439,087	16,342,018	16,781,105

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	206,535	4,599,849	4,806,384
Fixed asset investments	-	6,032,653	6,032,653
Current assets	202,267	6,140,762	6,343,029
Creditors due within one year	-	(990,194)	(990,194)
Provisions	-	(286,116)	(286,116)
TOTAL	408,802	15,496,954	15,905,756

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 2025 £	Group 2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>875,349</u>	<u>(845,315)</u>
ADJUSTMENTS FOR:		
Depreciation charges	256,375	269,136
Losses/(gains) on investments	73,078	(546,784)
Dividends, interests and rents from investments	(323,905)	(348,346)
Profit on the disposal of fixed assets	(772)	(9,828)
Increase in stocks	82,398	(3,657)
Increase in debtors	(1,278,293)	(325,894)
Increase in creditors and provisions	57,633	71,033
NET CASH GENERATED BY OPERATING ACTIVITIES	<u><u>(258,137)</u></u>	<u><u>(1,739,655)</u></u>

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £	Group 2024 £
Cash at bank and in hand	1,313,431	608,508
Notice deposits (less than 3 months)	1,585,000	2,585,000
Total funds	<u><u>2,898,431</u></u>	<u><u>3,193,508</u></u>

26. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	608,508	704,923	1,313,431
Notice deposits (less than 3 months)	2,585,000	(1,000,000)	1,585,000
Total funds	<u><u>3,193,508</u></u>	<u><u>(295,077)</u></u>	<u><u>2,898,431</u></u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****27. PENSION COMMITMENTS**

The Group operates a defined contribution scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund held by Standard Life. The commitment for the year ended 31 March 2025 under this scheme is for contributions of £356,862 (2024: £279,268). The charity has no obligation to meet any shortfall arising from any actuarial valuations lower than those originally anticipated.

The Group also participates in the NHS Pension Agency Scheme, a defined benefit scheme on behalf of eligible employees. Pension costs are assessed in accordance with advice from NHS Business Services Authority actuaries. It is not possible for the charity to separately identify assets and liabilities relating to the charity within the NHS scheme for the purpose of FRS102 disclosure.

During the year, the rates of contributions for each scheme were as follows:

Standard Life scheme - employees 1% to 15%, employer 1% to 7%

NHS scheme - employees 5% to 15%, employer 14%.

	2025	2024
	£	£
The number of members in each scheme was:		
Defined contribution	218	229
Defined benefit	39	40
	<u>257</u>	<u>269</u>

28. OPERATING LEASE COMMITMENTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Land and Buildings				
Not later than 1 year	154,249	199,023	154,249	199,023
Later than 1 year and not later than 5 years	306,507	261,389	306,507	261,389
	<u>460,756</u>	<u>460,412</u>	<u>460,756</u>	<u>460,412</u>

29. LEGACIES HELD IN TRUST

The charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the Balance Sheet date, the amount receivable cannot be reliably measured, and therefore no income has been recognised in the Statement of Financial Activities in the year.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****30. PRINCIPAL SUBSIDIARIES**

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding	Included in consolidation
The Ella Rowcroft Endowment Trust	CE19580	1186330	100%	Yes
Devon Farm Kitchen Limited	12353512		100%	Yes

The financial results of the subsidiaries were:

Names	Income and other gains £	Expenditure £	Profit / (Loss) / Surplus / (Deficit) for the year £	Net assets £
The Ella Rowcroft Endowment Trust	70,762	(4,598)	44,707	1,026,836
Devon Farm Kitchen Limited	326,772	(513,481)	(186,709)	(784,788)

On 13 November 2019 The Ella Rowcroft Endowment Trust was registered as a charitable incorporated organisation (CIO) with the Charity Commission for England and Wales. The Ella Rowcroft Endowment Trust is a separate legal entity, able to hold property in its own name.

On 9 December 2019 Devon Farm Kitchen Limited was incorporated as a limited company with Companies House. Devon Farm Kitchen is a separate legal entity, able to hold property in its own name.

ROWCROFT HOUSE FOUNDATION LIMITED

England & Wales - Charity number 282723

Accounts

Registered number: 01561601
Charity number: 282723

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ROWCROFT HOUSE FOUNDATION LIMITED

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ROWCROFT HOUSE FOUNDATION LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	S Scott-Bryant (Chair) H E Boyd C J Brant C M Edwards I N Hale T K Howard A N Janzen C A Karakusevic J A H Moffat A M E Tapson H L Wallwork K E Williams (appointed 25 March 2024) R E Banks (resigned 21 June 2023)
Company registered number	01561601
Charity registered number	282723
Registered office	Rowcroft Hospice Ella's Gardens Avenue Road Torquay Devon TQ2 5LS
Company secretary	G R Pearce (appointed 22 March 2024) C C Moores (resigned 6 March 2024)
Chief executive officer	M Hawkins
Independent auditors	PKF Francis Clark Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE
Bankers	Nat West Bank PLC PO Box 69 Riviera House Nicholson Road Torquay TQ2 7YL

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report for Rowcroft House Foundation Limited (the “charity”, “Hospice” or “Rowcroft”) and its subsidiaries (collectively the “Group”) for the year ended 31 March 2024.

The Trustees confirm that the Group financial statements comply with the current statutory requirements of the charity’s governing document and the provisions of the Statement of Recommended Practice (SORP FRS 102) “Accounting and Reporting by Charities” effective 1 January 2019.

CHAIR’S REVIEW OF THE YEAR

As Chair of the Board of Trustees, it is a huge privilege to reflect upon the achievements of the Rowcroft team over the past twelve months. This against a backdrop of an inflationary and cost-of-living crisis and significant difficulties in recruiting staff across the organisation.

I am continually humbled by the dedication and commitment of the teams who strive daily to achieve the highest standards of care within the hospice environment. This extends beyond those staff and volunteers working with our patients and families. Our income generation and support teams work tirelessly to provide the resources and infrastructure that make it possible for our care teams to support so many people.

The last year has been exceptionally stretching and challenging for the Rowcroft community.

The national shortage of qualified nurses has been felt locally with difficulties recruiting to several registered nurse vacancies. Local shortages of qualified staff across all departments early in the year left many teams short of the staffing levels needed. However, this has not in any way disabled the teams: on the contrary, their keen thinking outside of the box has seen some wonderful initiatives. Our international nurse recruitment drive onboarding two new international recruits, our nurse sponsorship scheme recruiting four new nurses and encouraging two of our own to take on trainee nurse associate apprenticeships. Further, our People team have renewed our recruitment processes and materials, with managers across the charity re-thinking their approach to recruitment. The success of all these initiatives enabling us to look forward to 2024/25 with a much improved and enhanced workforce.

I am immensely proud of the way in which all our staff and volunteers continue to rise above operational difficulties to provide an exceptional service for our patients and their families. Mark Hawkins and his senior team have a clear focus on attention to detail and open communication which sets the tone for the organisation as a whole.

This year was the first of our strategy 2024 to 2030. Through our talent, technology and working together we are already making progress towards our ultimate strategic goal: to deliver our palliative care to reach over 3,000 adults per year by 2030. More details on our new strategy can be seen within the Trustees report.

Finally, I am also grateful to work with a strong, multi-skilled and dedicated Board of Trustees and we are all fully aware that none of us working within Rowcroft can do any of this without the support, donations and fundraising of our local community.

Thank you.

Signed by:

667934279B994C3...

Sally Scott-Bryant
Chair of the Board of Trustees

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

CHIEF EXECUTIVE'S REVIEW OF THE YEAR

As we reflect on this past year at Rowcroft Hospice, I am filled with immense pride and gratitude for what we have accomplished under unusually challenging circumstances. The combined effects of staff shortages, increased sickness and the ongoing cost-of-living crisis, adversely affecting our fundraising and retail income and increasing our operating costs have tested our resilience. Despite these hurdles, our dedicated teams have not only sustained but have elevated the level of care we provide to the most vulnerable members of our community.

This year has been marked by significant achievements, which have been instrumental in strengthening our operations and enhancing our services. We successfully developed innovative recruitment strategies, which included the launch of our first international nurse recruitment programme, underpinned by a newly acquired UK Visas and Immigration (UKVI) license. This strategic move has not only diversified our workforce but has also infused new energy and expertise into our team.

We also rolled out our internal CQC compliance programme, RISE, and implemented the new Patient Safety Incident Response Framework (PSIRF), which together have significantly bolstered our governance and safety protocols. The introduction of new shift patterns on the ward, through to the installation of new TVs have improved the working conditions for our staff and the care environment for our patients.

In line with our commitment to transparency and engagement, we have continued to keep all stakeholders informed about key decisions and developments. This year also saw the launch of our ambitious six-year strategy, which was shaped with extensive input from our stakeholders, ensuring that our future direction is both inclusive and forward-looking.

Our efforts to embed equality, diversity and inclusion (EDI) across all aspects of our operations took a concrete shape with the initiation of our EDI plan. Furthermore, our digital transformation strategy has gained momentum with a comprehensive review of digital skills across the organisation, leading to the development of a targeted training plan.

Notably, this year has also been one in which we have secured and utilised external funding effectively. We were honoured to receive Health Foundation funding to develop a new app to support our patients and their families and won an Amazon Web Services (AWS) grant to test the deployment of artificial intelligence (AI) in a care setting: making us one of only three organisations in the UK to receive such recognition.

Our fundraising efforts have been revitalised with a new strategy while the relocation of our retail distribution centre and the development of a comprehensive cost-saving programme has realigned our cost base to our income projections, testament to our proactive approach to financial sustainability.

As we close this year, I am inspired by the unwavering support of our community, the dedication of our staff and volunteers and the guidance of our Board of Trustees. Together, we have not only met the challenges of today but continue to lay strong foundations for the future.

Thank you to everyone in our community for their continued support and belief in our mission. It is your commitment that fuels our efforts and makes a profound difference in the lives of those we serve.



Mark Hawkins
Chief Executive Officer

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The charity (number 282723) is a company limited by guarantee (number 01561601), incorporated on 14 May 1981, and is governed by its Articles of Association (revised September 2021). It is led by a Board of Trustees, details of which are given on page 1.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Articles of Association.

Trustees are appointed to the Board of Trustees by an open recruitment process inviting applications with appropriate skills, experience and/or qualifications predominantly from the community of South Devon. The process follows the hospice's recruitment policy and procedure. The successful applicants are invited to become Members of the Association, prior to a General Meeting at which their appointment is formally ratified.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All newly appointed Trustees meet with senior team members to understand the activities of the charity as well as a tour of the hospice and discussion with the Chair of Trustees, other Trustees and the Chief Executive. Relevant documentation is made available to the newly appointed Trustees including the Articles of Association, past Board of Trustees and Committee minutes and a copy of the Trustee induction pack. All Trustees are expected to undertake a programme of mandatory training covering key topics including anti-bribery, equality, diversity and human rights and safeguarding.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees is responsible for determining the strategic direction of the organisation, ratifying policy and ensuring compliance with internal governance and external regulations and legislation.

The Trustees meet with the Executive Directors every three months in a Rowcroft Board meeting. The Rowcroft Board considers strategic direction and reviews performance against strategic and operational indicators.

Day to day management of the hospice is delegated to the Chief Executive and the Senior Management Team (SMT).

The SMT consists of the Executive Directors and Senior Heads of Department. They meet weekly to discuss current issues and projects and monthly to review progress on strategic goals and monthly governance reports including patient care and quality, information governance, finance and Investments, income generation and human resources.

The hospice is organised into departments with each having a Head of Department who is responsible for the day to day running and budget management of that department.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

OUR OBJECTIVES AND ACTIVITIES

To provide support and the best care possible to people in South Devon facing a progressive, life limited illness. We deliver this through:

- Providing care to patients, their families and friends, where they have complex needs which require our specialist skills
- Meeting each individual's physical, emotional, social and spiritual needs, providing support both before and after bereavement
- Providing palliative care and associated support services to the adult population in South Devon
- Promoting excellence in palliative care across the community through education, training and support of carers, professional health and social care providers and the public
- Developing a community-wide understanding of end of life care issues including and seeking to influence the services provided by others, including the NHS and third sector organisations

The total population of the geographical area served is 280,000. Whilst the majority of our patients have a cancer diagnosis, we also support people with other progressive, life limiting conditions. In addition to care for the physical, psychological, social and spiritual needs of the patient, the needs of each patient's family and friends are also addressed. The majority of referrals are received via the NHS, either directly from GPs or hospital consultants.

We seek the views of beneficiaries through surveys, user groups and engaging with the local community. We further engage with the local community to seek financial and volunteering support.

OUR VISION

To make every day the best day possible for patients and those closest to them, living with life limiting illnesses in South Devon.

OUR VALUES

- Honesty and integrity
- Generosity of spirit
- Team player
- Respect

OUR EMPLOYEES AND VOLUNTEERS

The Board of Trustees would like to express its warmest thanks to all staff and volunteers for their dedication and commitment to the hospice throughout another year.

Rowcroft is committed to investing in staff development across all the disciplines we engage. The Rowcroft Education team provide personal development courses throughout the year to ensure that staff and volunteers have access to relevant opportunities. Where appropriate, Rowcroft also engage with external training suppliers.

Rowcroft recognises its social and statutory duty to employ disabled persons and individuals on Government assisted work schemes wherever possible.

During the year Rowcroft benefited from considerable volunteering hours: working on the wards; bereavement support; admin & reception; retail activities; therapies & services; transport; estates, and in fundraising.

Thank you.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

OUR PLANS FOR FUTURE PERIODS

Looking into the future we face the challenge of an ageing population. The proportion of people over 65 in Devon is projected to increase from 1 in 4, to 1 in 3 by 2040. In this evolving landscape for Rowcroft to meet its vision and be true to its values we need to extend our care. We plan to do so with three clear strategic goals, underpinned by 3 Strategic Pillars.

Strategic goals 2024 to 2030:

- a. Deliver a specialist palliative care service to an impeccable standard when and where it is needed, 24/7, regardless of diagnosis or circumstance.

Measure: Care Quality Commission (CQC) inspection / patient and family feedback.

- b. Extend our delivery of palliative care to reach over 3,000 adults per year by 2030.

Measure: referrals recorded.

- c. Build a sustainable future for the hospice (commercially and environmentally).

Measure: balance sheet.

Strategic pillars – 3T's:

- a. **Talent** **Build exceptional teams, united as one, embracing the future.**

- Invest in our people to build an effective and resilient workforce.
- Attract, develop, train and retain our talent.
- Create the environment and culture for our teams to thrive.
- Nurture a culture of 'one team' where colleagues work together for maximum impact.
- Provide a seamless patient and family experience across all services and ensure care is available when and where it is needed.

- b. **Technology** **Embrace innovation for greater impact.**

- Deploy technology that drives efficiency and impact across the organisation to enhance patient care.
- Utilise innovative systems and tools that help to provide the best-in-class service to all stakeholders.
- Further develop the shared IT service model across Rowcroft and other hospices (and charities) to deliver enhanced technology and effectiveness.

- c. **Together** **Engage our community at all levels, diversify income, remodel the hospice for the future.**

- Continue to deliver our services to meet local needs by engaging and partnering with all key stakeholders in the community: including healthcare commissioners and other professionals within the broader healthcare system, as well as existing and potential supporters, organisations, trusts and corporates.
- Develop innovative income generation strategies (including social enterprises) to achieve a 10% share of core revenue by 2030. We will also safeguard our services by setting reserves at 50% of the hospice's annual running costs.
- Launch a new nursing home and prepare for the construction of an assisted living village on the Rowcroft estate.
- Ensure the future sustainability of the hospice by remodeling Main House wards and offices to provide the next generation of in-patient hospice care.

Full copies of the Rowcroft Strategic plan available at:
[Rowcroft-Strategic-Plan-2024-30.pdf \(rowcrofthospice.org.uk\)](https://rowcrofthospice.org.uk/Rowcroft-Strategic-Plan-2024-30.pdf)

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

OUR ACHIEVEMENTS AND PERFORMANCE

In setting objectives and planning activities for the year, the Trustees gave careful consideration to ensuring that the charity's activities are to the public benefit, with due regard to Charity Commission guidance.

Rowcroft is rated "Good" by the Care Quality Commission [2021]

In the year we received 64 "iWantGreatCare" survey responses. An overall score of 4.95 out of 5; 97% saying they had a positive experience. ("iWantGreatCare" is an independent quality survey tool)

Specialist care for each unique patient

At Rowcroft we know how important it is for patients with complex needs to get the right kind of care and support and we do this by tailoring our specialist care for each unique patient. Karen explains how we supported her inspirational sister Dena.

Born with Down's syndrome and a learning disability and in late 2014 diagnosed with Alzheimer's (a disease that causes dementia), Dena developed incredibly complex needs. Day-to-day life started to become exceptionally challenging, not only for Dena but also for those closest to her. Rowcroft was able to deliver expert specialist care that was sensitive and compassionate and that helped them all through the toughest of times at the end of Dena's life.

An inspiration to all

"In spite of multiple health issues Dena was a multi-talented and confident young woman who charmed everyone she met," says Karen. "She attended a local day centre twice a week for music, art and pottery, and she was regularly given the microphone to lead the singing! Her simple child-like faith and trusting, loving nature had something to teach all of us in a cynical world.

"Dena's condition deteriorated significantly in 2018 and seizures became a big part of her life. With several emergency dashes to Torbay Hospital, she earned the nickname 'Houdini' as she always seemed to recover from illness at the eleventh hour.

How Rowcroft supported Dena in a time of need

"I eventually made the decision to contact Rowcroft and we soon had support from a palliative care social worker, a specialist community nurse, and a Rowcroft consultant who was like Wonder Woman! In less than a day she had set up a co-ordinated approach to Dena's care, and got her medication altered so that Dena didn't have any further seizures and this made her quality of life so much better. "When Dena later developed a major chest infection, sadly there was to be no Houdini act this time. Rowcroft's Hospice at Home team offered care and support and helped to make her comfortable."

"There are no words to describe the debt of gratitude we feel towards Rowcroft. They allowed us precious time to be just a family with a dying loved one. It meant the world to us to be able to sit with Dena knowing her needs were being met and that she could die in her own bed in her own room at home, just as she had wanted. It was a very peaceful time for everyone and if there is such a thing as a good death then this was it."

"Rowcroft is like a family that embraces you in the darkest times. It wraps its arms around you when you need it most."

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

SERVICE REVIEW

Numbers of patients/ beneficiaries in 2023/24 by service:

- **Inpatient Unit (IPU) 12 beds: 255 patient admissions [2022/23: 364]**

“Extremely attentive staff. Nothing was too much to ask for. Always kind and friendly. Active and genuine listening. Amazing at accommodating my food needs and all food has been delicious.”

- **Community specialist palliative care: 1,521 patient referrals [2022/23: 1,614]**

“Thank you so much for all your care and kindness that you showed to our mum during this difficult year. We really appreciated all the support that you gave to her when you visited her at home. It was always reassuring to know that you were there and help and advise us. We will always remember your gentle and kind-hearted ways that gave us all more strength to help our mum during this time.”

- **Hospice at Home (24/7): 552 patient referrals [2022/23: 500]**

“The level of care provided by Rowcroft, and the Hospice at Home team was nothing short of extraordinary. They wrapped their arms around us and really felt that caring was paramount.”

- **Education (End of life care training): 928 attendees [2022/23: 1,134]**

“The Rowcroft training sessions have proved invaluable time and time again. We have used the information gained to help improve the service we provide to our clients and make it more holistic; and we know where to signpost them for more information and support.”

Progress on 2023/24 priorities:

- Safe:** By “Safe”, we mean that people are protected from abuse and avoidable harm.
- Patient Safety Incident Response Framework (PSIRF) - fully implemented.
 - Exploring and trialling a lone worker device - explored, trialled and implemented.
 - Development of Hospice at Home specific competencies for Senior Health Care Assistants (SHCAs) - implemented.
- Effective:** By “Effective”, we mean that people's care, treatment and support achieve good outcomes, promote a good quality of life and are evidence-based where possible.
- E-Prescribing within the Community and Hospice at Home teams - implemented.
 - Implementation of the new IPU care model - implemented.
 - Hospice referral criteria leaflet - a new leaflet to raise awareness - implemented.
 - Fully implement competencies on IPU - clinical competences for Registered Nurses & Health Care Assistants implemented.
 - Research Involvement - throughout the year including University of Plymouth focus groups on end of life.
- Responsive:** By “Responsive” we mean services are organised to meet people's needs.
- Community 5-year strategy - approved and implemented, triage nurse recruited and technology improved to ease communications with patients and GP's.
 - Support for Trainee Nurse Associates (TNA) - two TNA roles supported this year.
 - Support to homeless groups within the local community – a Hospice UK funded project is under way to further ease access to hospice care for such groups.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Caring: By “Caring”, we mean that staff involve and treat people with compassion, kindness, dignity and respect.

- Implement digital care plans for patients – implemented.

Well-led: By “Well Led”, we mean that the leadership, management and governance of the organisation assures the delivery of high-quality person-centered care, supports learning and innovation, and promotes an open and fair culture.

- Implementation of our new Rowcroft’s RISE (Reflect, Innovate, Suggest, Engage) initiative to embed the new Care Quality Commission’s single assessment Framework – fully implemented with plans to make RISE part of daily working.
- Implementation of GROW (Grow, Reality, Options, Will) problem solving and action planning approach – we have implemented a GROW approach with champions in place across the hospice.

Priorities for 2024/25:

Safe:

- Implementation of E-Prescribing & Medicines Administration (EPMA) within IPU
- To implement an escalation activity tool

Effective:

- Improved data capture and visibility
- To explore the use of digital dictation and digital transcription.

Responsive:

- Continued commitment to non-medical prescribing.
- To trial & implement the use of text and email facilities within our patient record system.

Caring:

- Roll out an inclusion strategy – meet the needs of those who experience exclusion.
- A tech for better care project – creating an app for those at end of life who are not always able to express or communicate when in pain or distress.

Well-led:

- Enhance quality improvement engagement in our teams

Further details available from the Hospice Quality Account 2023/24 at:

https://rowcrofthospice.org.uk/wp-content/uploads/RH-QA-2022_23-WEB.pdf

ROWCROFT HOUSE FOUNDATION LIMITED**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****FINANCIAL REVIEW**

Total funds (note 22) reduced to £15.9m [2022/23: £16.8m]

Total incoming resources can be summarised as follows:

• NHS grant funding	£2.7m	28%	[2022/23: £2.4m	24%]
• Fundraising income	£2.2m	23%	[2022/23: £2.7m	27%]
• Retail income	£2.3m	24%	[2022/23: £2.3m	22%]
• Legacy income	£1.7m	17%	[2022/23: £2.1m	21%]
• Other	£0.8m	8%	[2022/23: £0.6m	6%]
• Total income	£9.7m	100%	[2022/23: £10.1m	100%]

Income generation (fundraising & retail) as a percentage of total income of 47%. [2022/23: 49%].

Legacy income as a percentage of total income of 17% from 21% [2022/23]

NHS grant income as a percentage of total income of 28% from 24% [2022/23]

Total outgoing resources can be summarised as follows:

• Inpatient Unit	£3.6m	32%	[2022/23: £3.6m	35%]
• Community Services	£1.9m	17%	[2022/23: £1.7m	17%]
• Hospice at Home	£1.1m	11%	[2022/23: £1.0m	10%]
• Education	£0.2m	2%	[2022/23: £0.2m	2%]
• Retail	£2.8m	25%	[2022/23: £2.4m	23%]
• Fundraising and Lottery	£1m	9%	[2022/23: £1.0m	10%]
• Other	£0.5m	4%	[2022/23: £0.4m	3%]
• Total expenditure	£11.1m	100%	[2022/23: £10.3m	100%]

Net income after costs from income generation of £0.8m from £1.5m [2022/23]

Expenditure on charitable activities: 62% of total [2022/23: 64%]

Expenditure on raising funds: 38% of total [2022/23: 36%]

Reserves at the year-end: £6.9m [2022/23: £11.0m]

Reserves representing 8 months of expenditure [2022/23: 12 months]

The main change in reserves this year being the Trustees designation of £3m of reserves as a Hospice Build Fund (note 22).

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

RISK MANAGEMENT

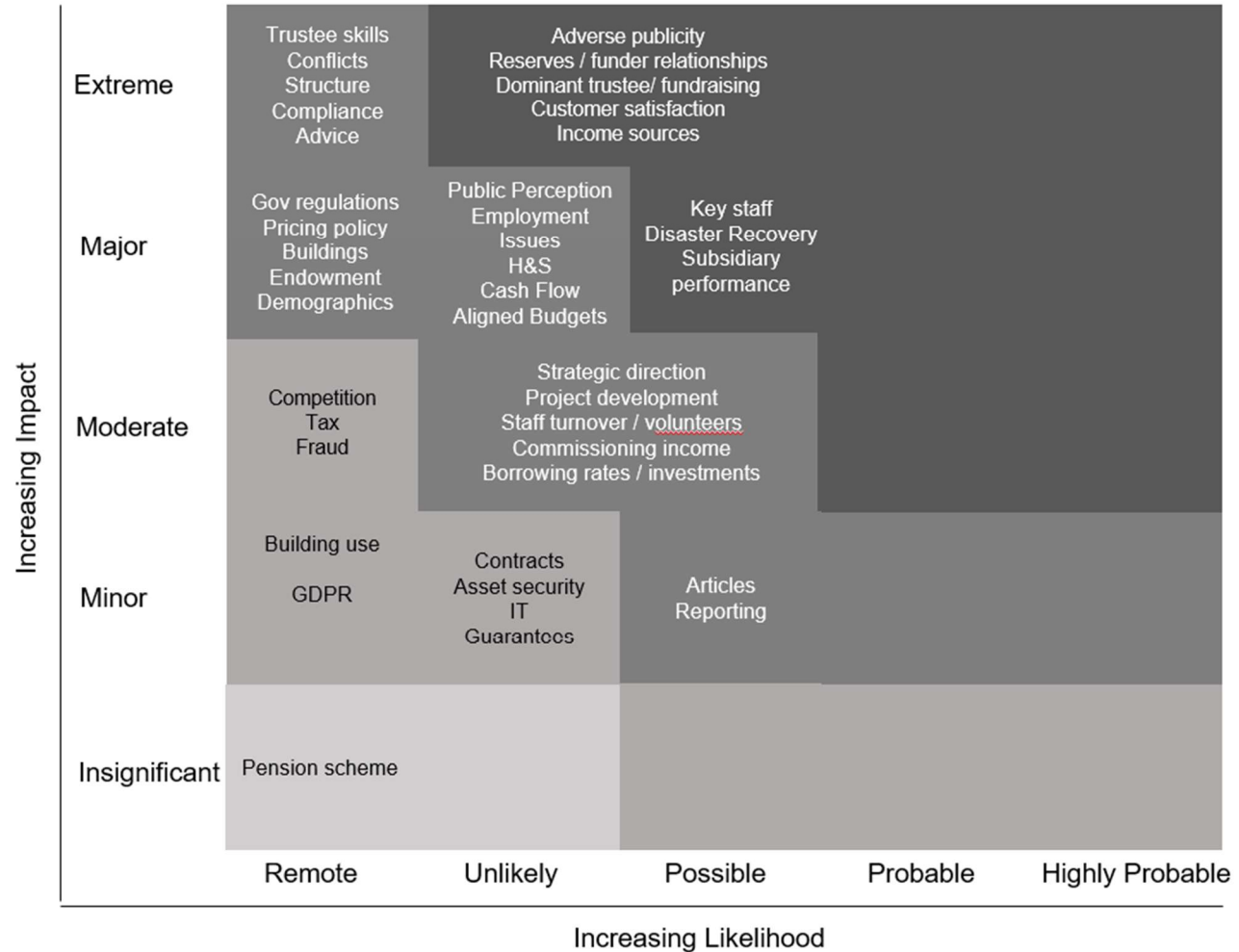
The Rowcroft risk policy design and section headers are in line with Charity Commission guidance, Charities and risk management (CC26).

Risk awareness is embedded within the organisation and risk management is factored into business planning, performance management, audit and assurance, business continuity management and project management. All projects and events consider risks specific to their particular context and in accordance with the risk management policy. Strategic risks that could have a major impact on Rowcroft as a whole are those reviewed by the Board of Trustees.

The Hospice uses the following categories to identify and manage strategic risk:

- Governance
- Operations
- Finances
- Environment (including public opinion/relationship with funders)
- Compliance (legal and regulatory i.e. CQC)
- People

Rowcroft Strategic Risk Register Summary June 2024



ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

RESERVES POLICY

Reserves are required in order that the group is protected against future events known and unknown and to maximise future opportunities and weather future challenges.

For the hospice to meet its objectives of providing care for patients suffering from life-limiting illnesses, the Board of Trustees (the "Board") has considered the group's resources and commitments. The hospice has a long-term commitment to people throughout South Devon and it requires long-term plans.

Much of the hospice's income comes from voluntary giving and is therefore volatile and cannot be guaranteed. Much of the hospice's expenditure however is fixed, due to the nature of the work, its commitment to delivering services and hence a major proportion of costs being in staffing.

Against these considerations, the Board is conscious of the need to apply charitable funds in a timely fashion and to avoid building up excessive levels of reserves. By law, income received must be spent within a reasonable period unless there is good reason not to do so.

Having regard to these factors, the Board believes that an appropriate balance is to hold a level of available reserves which would allow the group to meet its financial obligations as well as to facilitate initiatives which further its charitable aims.

The policy should be regularly monitored and its effectiveness reviewed in the light of the changing funding and financial climate and other risks. The Board conducts a formal review once a year at the time of approving the next year's budget.

The benefit of a reserves policy is:

- To assist in strategic planning, for example considering how new projects or activities will be funded.
- To inform the budget process, for example, is it a balanced budget or do reserves need to be drawn down or built up?
- To inform the budget and risk management process by identifying any uncertainty in future income streams.
- To demonstrate to beneficiaries, donors, funders and the wider public that the charity is acting to protect the group from future challenges and changes in economic circumstances.

Guiding principles to justify the level of reserves and their use:

- To protect and sustain the group's charitable activities should income or expenditure become seriously out of line with expectations.
- To have a level of funds available to support charitable one-off initiatives which fall outside the annual plan.
- To have a sufficient level of funds available to support new long-term initiatives in their launch phase and before fundraising support can be fully realised.

Definition of Reserves for this policy:

Reserves for the purposes of this policy are equal to the sum of general funds as detailed in the notes to the group's financial statements, these are the amounts of unrestricted funds that are freely available to spend on the group's activities. This can also be represented as:

Total Unrestricted Funds less:

- Capital Fund.
- The Endowment Trust Fund.
- Hospice Build Fund.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

All of which are unrestricted funds but have been allocated to specific activities and are not freely available.

Level of reserves necessary to meet the objective of this reserves policy

- A minimum of 6 months of total operating costs of the group in the budget for the following year [FY24/25 £5.5m], plus
- A discretionary "Opportunity Fund" of £0.2m to be allocated from reserves each year to support initiatives proposed by the Executive and approved by the Trustees
- Total reserves of £5.7m for the year to 31 March 2025

Should reserves, once established, either be forecast to, or fall below this level for whatever reason, immediate steps will be taken to reinstate them over a reasonable period.

The Board also recognises that keeping reserves at this level would, in the unlikely event of the charity having to cease operations, be sufficient to pay for winding up liabilities.

INVESTMENT POLICY

Rowcroft adopts a total return approach to financial investments, generating the investment return from income and capital gains or losses.

For the purposes of the charity, the Trustees may wish to withdraw income from time to time to meet expenditure and this requirement will be discussed with the investment management company, as necessary. The withdrawals may be met from income or capital.

Attitude to risk

Rowcroft relies on the investment return to support operating costs and underwrite underperformance of operational income generating activities in any one year. The key risk to the long-term sustainability of Rowcroft is securing sufficient income from fundraising events, legacies, individual and corporate donors and our retail operations which are supplemented by income from financial investments. The assets are to be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value, as long as Rowcroft is able to meet its short-term cash requirements through either operating income or liquid invested assets.

Liquidity requirements

For liquidity purposes the Trustees wish to keep at least 20% of the financial investments realisable in 3 months.

Time horizon

Rowcroft is expected to exist in perpetuity; financial investments should be managed to meet the investment objective and ensure sustainability. The Trustees therefore adopt a long-term investment time horizon.

Investment brief

In order to meet these objectives, the Trustees contracted Quilter Cheviot as their agents to manage a diversified portfolio of suitable investments on a discretionary basis. Investments will be managed in accordance with the contents of this investment policy. In the future, the Trustees may wish to limit financial investments in specific companies, sectors or countries and will inform the investment agents of any such restrictions as they are determined.

The proportion of the portfolio invested in equities, fixed income stocks and cash shall be reviewed by the Trustees with the agents from time to time to agree a suitable mix of investments for the coming period. It is anticipated that such a review will take place twice a year.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The financial investment mandate risk is reviewed annually at the June meeting of the Rowcroft Finance and Investment Committee.

Social investments

Trustees are permitted to take Rowcroft's purpose and values into account when making investment decisions, even if a particular investment might provide a lower return than an alternative. This may be in Rowcroft's best interest if it reflects the charity's values and charitable purpose.

Responsible & ethical investment

Our aim is to maximise the return on the investments held with our investment manager over the long term within an appropriate risk framework. We will not make investments that conflict with our vision and values and we will protect our charity's reputation by being a responsible investor.

Our decisions and actions are informed by three related principles: positive public health and wellbeing, responsible investment and low reputational risk:

- **Positive public health and wellbeing** - we will not invest in organisations whose principal products or services are evidenced to be detrimental to the health and wellbeing of individuals and society. According to this principle, we instruct our investment managers not to invest in companies whose principal activities promote tobacco. They are also instructed to avoid collective investment vehicles that invest in companies whose principal activities promote tobacco. We are prepared to accept the possibility of lower returns to avoid such investments.
- **Responsible investment** – the charity wishes to be a responsible investor, and as such, we will avoid investing in organisations with a negative track record and/or poor strategy on environmental, social and governance (ESG) issues. While we accept that ESG screening is not yet comprehensive, and that a company may perform more positively against some ESG criteria but negatively against others, our overall aim is to invest in companies that demonstrate strong ESG performance. While these examples are not exhaustive, environmental criteria include a company's carbon emissions strategy, ending deforestation, pollution and stewardship of the natural environment. Social criteria include how a company manages relationships with employees, suppliers, customers and the communities in which it operates, including promoting diversity and inclusion. Governance deals with a company's leadership, executive pay, audits, internal controls and shareholder rights. Therefore, we expect our investment managers to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate.
- **Low reputational risk** - our charity will seek to avoid investing in organisations that we reasonably believe beneficiaries, supporters, and other stakeholders would be averse to. Examples include high stakes gambling or high interest money lending, this list to be reviewed from time to time.

Trustees are required to evaluate the impact of their investment decisions and balance the risk of lower returns against the risk of alienating support or damaging reputation.

Review/reporting

The Trustees will regularly consider whether there is a need to revise this policy statement and keep under review the arrangements under which the investment manager acts.

The Trustees require valuations on a quarterly basis and a year-end report containing detailed information relating to income and gains for use by the charity's auditors. The Trustees expect the investment manager to attend a meeting of the Finance and Investment Committee twice a year to report in person, and regularly appraise the Finance and Commercial Director during the year.

We will implement this policy in a pragmatic manner to optimise returns and we will be guided by our investment manager in terms of the specific timing of the sale or purchase of existing holdings in the event that these conflict with this policy.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Future plans and future funding have been considered during the going concern review, in light of the impact of the global and UK economic environment and the Trustees consider that there are sufficient reserves and reasonable and practical plans to ensure the going concern basis.

INFORMATION OF FUNDRAISING PRACTICES

Fundraising activities

The Trustees monitor fundraising practices on an ongoing basis through a Non-Clinical Committee; meeting quarterly and at Board of Trustee meetings.

We believe in the highest possible standards for our fundraising, considering supporter preferences in all of our activity. We constantly ensure that all activities are compliant with regulatory standards and in line with the intent of those standards.

Rowcroft adopts the Fundraising Regulator standards and is committed to the Code of Fundraising practice.

During the year Rowcroft received no formal complaints arising from our fundraising activities.

Personal data

Rowcroft does not sell 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.

We encourage all supporters or beneficiaries to contact us with any comment or complaint, in the first instance to the Rowcroft team member responsible for the area of concern and then through our comments and complaints procedures, as published on our website.

Protecting vulnerable people and others

Rowcroft has robust practices that ensure that we do not undertake any intrusive fundraising activity 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 Rowcroft based upon their personal preferences shared with us or where relevant under legitimate interest.

ROWCROFT HOUSE FOUNDATION LIMITED

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

DISCLOSURE OF INFORMATION TO AUDITORS

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

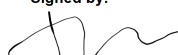
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

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

Signed by:

667934279B994C3...

S A Scott-Bryant
Chair of Trustees
Date: 17 December 2024

Signed by:

08277FA7C2944B0...

H E Boyd
Trustee
Date: 17 December 2024

ROWCROFT HOUSE FOUNDATION LIMITED**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024**

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity 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 charity 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 on 17 December 2024 and signed on its behalf by:

Signed by:

667934279B994C3...

S A Scott-Bryant
Chair of Trustees

Signed by:

08277FA7C2944B0...

H E Boyd
Trustee

ROWCROFT HOUSE FOUNDATION LIMITED**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED
FOR THE YEAR ENDED 31 MARCH 2024****Opinion**

We have audited the Financial Statements of Rowcroft House Foundation Limited (the “Charity”) for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, Group and Parent Company Balance Sheets, Statement of Consolidated Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- Give a true and fair view of the state of the group’s and charity’s affairs as at 31 March 2024 and of its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP)
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the Financial Statements and our auditor’s report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' report, (which includes the Strategic Report and Directors' report prepared for the purposes of company law) for the Financial Year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- The Strategic Report and Directors' Report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the Trustees (who are also the Directors of the Charity 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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:

As part of our audit planning, we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the industry in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity. As part of this, we reviewed the Charity's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Legislation, compliance with the Care Quality Commission ("CQC"), safeguarding, health and safety regulations and The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We discussed with management and Trustees how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year, of which there were none.
- Reviewed audit documentation from the CQC to confirm compliance with standards, and ensuring continued registration with the CQC through the CQC website.
- Discussed with the Health and Safety Officer if any incidents have been reported during the year under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR").
- Review of the group's GDPR policy and enquiries to the Data Protection Officer as to the occurrence and outcome of any reportable breaches.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Reviewed Board minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none. We evaluated the risk of fraud through management override. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misapplication of grant funding.

In response to the identified risk, as part of our audit work we:

- Audited the risk of management override of controls, including through testing journal entries and other adjustments or appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business of which there were none.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material mis-statement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, 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 auditor's report.

ROWCROFT HOUSE FOUNDATION LIMITED

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION
LIMITED
FOR THE YEAR ENDED 31 MARCH 2024**

Use of our Report

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

999771DCB5C24BA...

Neil Hitchings (Senior Statutory Auditor)

For and on behalf of
PKF FRANCIS CLARK, Chartered Accountants & Statutory Auditor
Centenary House,
Peninsula Park
Rydon Lane,
Exeter, EX2 7XE

Date: 17 December 2024

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER: 01561601

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

		Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
	Note				
Income from:					
Donations and legacies	4	260,031	2,226,323	2,486,354	3,347,552
Charitable activities	5	1,131,127	1,556,811	2,687,938	2,428,011
Other trading activities	6	-	3,981,084	3,981,084	3,962,500
Investments	7	-	348,346	348,346	234,297
Other income	8	29,518	155,385	184,903	171,802
Total income		<u>1,420,676</u>	<u>8,267,949</u>	<u>9,688,625</u>	<u>10,144,162</u>
Expenditure on:					
Raising funds	9, 10	-	4,187,360	4,187,360	3,799,840
Charitable activities		1,507,313	5,386,051	6,893,364	6,452,836
Total expenditure		<u>1,507,313</u>	<u>9,573,411</u>	<u>11,080,724</u>	<u>10,252,676</u>
Net expenditure before net gains/(losses) on investments		(86,637)	(1,305,462)	(1,392,099)	(108,514)
Net gains/(losses) on investments		-	546,784	546,784	(326,052)
Net movement in funds		<u>(86,637)</u>	<u>(758,678)</u>	<u>(845,315)</u>	<u>(434,566)</u>
Reconciliation of funds:					
Total funds brought forward		495,439	16,255,632	16,751,071	17,185,637
Net movement in funds		(86,637)	(758,678)	(845,315)	(434,566)
Total funds carried forward		<u>408,802</u>	<u>15,496,954</u>	<u>15,905,756</u>	<u>16,751,071</u>

The notes on pages 26 to 46 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER: 01561601

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	4,806,384	4,679,841
Investments	16	6,032,653	5,326,737
		<u>10,839,037</u>	<u>10,006,578</u>
Current assets			
Stocks	17	304,982	301,325
Debtors	18	2,844,539	2,518,645
Investments	19	2,585,000	2,755,000
Cash at bank and in hand		608,508	2,374,800
		<u>6,343,029</u>	<u>7,949,770</u>
Creditors: amounts falling due within one year	20	(990,194)	(1,205,277)
Net current assets		<u>5,352,835</u>	<u>6,744,493</u>
Total assets less current liabilities		<u>16,191,872</u>	<u>16,751,071</u>
Provisions	21	(286,116)	-
Net assets		<u>15,905,756</u>	<u>16,751,071</u>
Charity funds			
Restricted funds	22	408,802	495,439
Unrestricted funds	22	15,496,954	16,255,632
Total funds		<u>15,905,756</u>	<u>16,751,071</u>

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

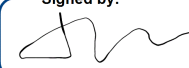
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:

667934279B994C3...

S A Scott-Bryant
Chair of Trustees

Date: 17 December 2024

Signed by:

08277FA7C2944B0...

H E Boyd
Trustee

Date: 17 December 2024

The notes on pages 26 to 46 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER: 01561601

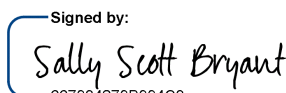
CHARITY BALANCE SHEET
AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	4,806,384	4,679,841
Investments	16	5,148,262	4,594,737
		9,954,646	9,274,578
Current assets			
Stocks	17	198,432	236,264
Debtors	18	3,571,509	2,938,937
Investments	19	2,585,000	2,755,000
Cash at bank and in hand		482,005	2,239,946
		6,836,946	8,170,147
Creditors: amounts falling due within one year	20	(983,771)	(1,187,494)
Net current assets		5,853,175	6,982,653
Total assets less current liabilities		15,807,821	16,257,231
Provisions	21	(286,116)	-
Net assets		15,521,705	16,257,231
Charity funds			
Restricted funds	22	408,802	495,439
Unrestricted funds	22	15,112,903	15,761,792
Total funds		15,521,705	16,257,231

The charity's net movement in funds for the year was £(735,526) (2023: £(363,986)).

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:

Signed by:

 667934279B994C3...
S A Scott-Bryant
 Chair of Trustees
 Date: 17 December 2024

Signed by:

 08277FA7C2944B0...
H E Boyd
 Trustee
 Date: 17 December 2024

The notes on pages 26 to 46 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash generated by operating activities	24	<u>(1,739,655)</u>	<u>277,191</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		348,346	234,297
Purchase of tangible fixed assets		(412,896)	(694,517)
Proceeds from sale of tangible fixed assets		27,045	-
Proceeds from sale of investments		539,160	1,131,322
Purchase of investments		(698,292)	(1,990,005)
Net cash used in investing activities		<u>(196,637)</u>	<u>(1,318,903)</u>
Change in cash and cash equivalents in the year		(1,936,292)	(1,041,712)
Cash and cash equivalents at the beginning of the year		5,129,800	6,171,512
Cash and cash equivalents at the end of the year	25	<u>3,193,508</u>	<u>5,129,800</u>

The notes on pages 26 to 46 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****1. GENERAL INFORMATION**

The Charity is a company limited by guarantee. The members of the Charity are the Trustees names on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The company number is 01561601 and charity number is 282723. The registered office is Rowcroft Hospice, Avenue Road, Torquay, Devon, TQ2 5LS.

2. ACCOUNTING POLICIES**2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Finance 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.

Rowcroft House Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The functional currency is pound sterling.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statement of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

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

2.2. GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity and its subsidiaries to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity and its subsidiaries to continue as a going concern have been identified by the Trustees.

2.3. INCOME

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

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****2. ACCOUNTING POLICIES (CONTINUED)****2.3. INCOME (CONTINUED)**

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

Donated services or facilities are recognised when the Group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of the invaluable volunteer time is not recognised in the income of the charity however please refer to the Trustee report for more information about this ongoing support.

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

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

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

Income raised through the operation of shops under the management of the charity and by the Friends of Rowcroft is considered at the time of the receipt by that organisation, and all costs attributable to these activities are included as payments in these financial statements.

Lottery income is accounted for based on the date of the lottery for which the ticket has been purchased.

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.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits 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.

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.4 EXPENDITURE (CONTINUED)

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management costs.

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.

2.5 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.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Assets under construction	- not depreciated until asset is brought into use

2.7 INVESTMENTS

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

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

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.8 STOCKS AND WORK IN PROGRESS

Stocks and work in progress 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.

2.9 DEBTORS

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

2.10 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.

2.11 LIABILITIES AND PROVISIONS

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

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

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

The dilapidations provision is based on the future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

2.12 FINANCIAL INSTRUMENTS

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

2.13 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.

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.14 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.

Staff who are eligible participate in the NHS Pension Scheme. The Scheme is an unfunded, multi-employer defined benefit scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

2.15 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 note 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.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

The Trustees have made judgements and estimations in the process of applying the entity's accounting policies which could result in uncertainty of the carrying amounts of assets and liabilities. Whilst there is a level of assumption in these judgements, the Trustees feel these are unlikely to have a significant effect on, or cause material error to the amounts recognised in the financial statements.

The Trustees have agreed the valuation of the listed investment portfolio as advised by the investment manager.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Costs incurred in connection with the proposed facilities development (as detailed in the Trustees' report) have been capitalised in the financial statements.

A dilapidations provision of £286,116 has been included in the financial statements to 31 March 2024 as an estimate of future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****4. INCOME FROM DONATIONS AND LEGACIES**

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	149,271	498,783	648,054	935,283
Legacies	-	1,679,507	1,679,507	2,124,512
Grants	110,760	48,033	158,793	287,757
TOTAL 2024	<u>260,031</u>	<u>2,226,323</u>	<u>2,486,354</u>	<u>3,347,552</u>
TOTAL 2023	<u>492,002</u>	<u>2,855,550</u>	<u>3,347,552</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
In-patient unit	-	1,556,811	1,556,811	1,460,474
Community team	396,285	-	396,285	379,144
Hospice at Home	505,648	-	505,648	483,776
Health foundation	109,012	-	109,012	-
Pharmacy	120,182	-	120,182	104,617
TOTAL 2024	<u>1,131,127</u>	<u>1,556,811</u>	<u>2,687,938</u>	<u>2,428,011</u>
TOTAL 2023	<u>967,537</u>	<u>1,460,474</u>	<u>2,428,011</u>	

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****6. INCOME FROM OTHER TRADING ACTIVITIES****Income from fundraising events**

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from fundraising events			
Lottery	512,222	512,222	576,033
Fundraising events	894,096	894,096	919,478
Fundraising trading (shops)	2,324,085	2,324,085	2,279,068
Income from non-charitable trading activities			
Sales – Devon Farm Kitchen	250,681	250,681	187,921
TOTAL 2024	<u>3,981,084</u>	<u>3,981,084</u>	<u>3,962,500</u>
TOTAL 2023	<u>3,962,500</u>	<u>3,962,500</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from local listed investments	326,678	326,678	223,947
Bank interest	21,668	21,668	10,350
TOTAL 2024	<u>348,346</u>	<u>348,346</u>	<u>234,297</u>
TOTAL 2023	<u>234,297</u>	<u>234,297</u>	

8. OTHER INCOMING RESOURCES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other income	29,518	145,557	175,075	171,802
Gain on disposal of assets	-	9,828	9,828	-
TOTAL 2024	<u>29,518</u>	<u>155,385</u>	<u>184,903</u>	<u>171,802</u>
TOTAL 2023	<u>29,788</u>	<u>142,014</u>	<u>171,802</u>	

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9. EXPENDITURE ON RAISING FUNDS

Fundraising expenses

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Shop costs*	669,894	669,894	315,227
Lottery costs	174,406	174,406	168,371
Event costs	786,270	786,270	858,344
Shops - wages and salaries	2,102,347	2,102,347	2,042,753
Investment management fees	30,160	30,160	26,785
TOTAL 2024	<u>3,763,077</u>	<u>3,763,077</u>	<u>3,411,480</u>
TOTAL 2023	<u>3,411,480</u>	<u>3,411,480</u>	

*Shop costs include £286,116 (2023: £nil) in respect of a dilapidations provision.

10. TRADING SUBSIDIARY EXPENSES – DEVON FARM KITCHEN

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Cost of sales	117,843	117,843	99,557
Administration expenses	127,106	127,106	129,845
Administration staff costs	179,334	179,334	158,958
TOTAL 2024	<u>424,283</u>	<u>424,283</u>	<u>388,360</u>
TOTAL 2023	<u>388,360</u>	<u>388,360</u>	

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
In-patient unit	1,768,856	1,509,342	3,278,198	3,350,984
Community team	1,649,795	258,971	1,908,766	1,657,976
Hospice at Home	1,018,590	152,182	1,170,772	1,001,030
Education	125,357	99,845	225,202	219,453
Restricted depreciation	-	80,127	80,127	84,392
Unrestricted depreciation	-	177,499	177,499	99,019
Governance costs	-	52,800	52,800	39,982
TOTAL 2024	<u>4,562,598</u>	<u>2,330,766</u>	<u>6,893,364</u>	<u>6,452,836</u>
TOTAL 2023	<u>4,121,296</u>	<u>2,331,540</u>	<u>6,452,836</u>	

In 2024, of the total expenditure on charitable activities, £5,386,051 was to unrestricted funds and £1,507,313 was to restricted funds.

In 2023, of the total expenditure on charitable activities, £4,998,264 was to unrestricted funds and £1,454,572 was to restricted funds.

12. AUDITORS REMUNERATION

	Group 2024 £	Group 2023 £
Fees payable to the company's Auditor for the audit of the group's annual accounts	15,250	25,100
Fees payable to the charity's Auditor in respect of: All non-audit services not included above	6,550	1,250

13. STAFF COSTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries*	6,454,606	6,134,069	6,286,560	5,985,304
Social security costs	573,013	517,871	561,725	517,871
Contribution to defined contribution pension schemes	507,566	468,048	507,566	457,855
	<u>7,535,185</u>	<u>7,119,988</u>	<u>7,355,851</u>	<u>6,961,030</u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****13. STAFF COSTS (CONTINUED)**

*Wages and salaries cost includes £344,599 release of holiday and overtime previously accrued.

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

Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
289	244	282	239

The average headcount expressed as full-time equivalents was:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Medical, nursing and professional	81	79	81	79
Domestic and maintenance	14	15	14	15
Administration and fundraising	46	42	40	37
Charity shops	44	41	44	41
	185	177	179	172

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

	Group 2024 £	Group 2023 £
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	2	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

Remuneration and benefits for key management personnel (including employers' national insurance and pension contributions) totalled £444,533 (2023: £271,514).

14. TRUSTEES REMUNERATION AND EXPENSES AND RELATED PARTY TRANSACTIONS

During the year ended 31 March 2024, no Trustees received any remuneration or other benefits (2023 - £nil).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £nil).

During the year ended 31 March 2024, there were no related party transactions requiring disclosure (2023 - £nil).

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****15. TANGIBLE FIXED ASSETS****GROUP AND CHARITY**

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Assets under construction* £	Total £
COST OR VALUATION						
At 1 April 2023	7,804,485	875,707	180,900	1,822,865	838,531	11,522,488
Additions	20,154	104,114	8,271	139,637	140,720	412,896
Disposals	(2,032)	(180,438)	(33,174)	(38,991)	-	(254,635)
At 31 March 2024	<u>7,822,607</u>	<u>799,383</u>	<u>155,997</u>	<u>1,923,511</u>	<u>979,251</u>	<u>11,680,749</u>
DEPRECIATION						
At 1 April 2023	4,388,852	752,673	101,310	1,599,812	-	6,842,647
Charge for the year	73,380	59,674	16,565	119,517	-	269,136
On disposals	(76)	(174,776)	(24,708)	(37,858)	-	(237,418)
At 31 March 2024	<u>4,462,156</u>	<u>637,571</u>	<u>93,167</u>	<u>1,681,471</u>	<u>-</u>	<u>6,874,365</u>
NET BOOK VALUE						
At 31 March 2024	<u>3,360,451</u>	<u>161,812</u>	<u>62,830</u>	<u>242,040</u>	<u>979,251</u>	<u>4,806,384</u>
At 31 March 2023	<u>3,415,633</u>	<u>123,034</u>	<u>79,590</u>	<u>223,053</u>	<u>838,531</u>	<u>4,679,841</u>

*Assets under construction relate to planning and design for further development on the freehold site.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****16. FIXED ASSET INVESTMENTS**

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2023	5,326,737
Additions	698,292
Disposals	(539,160)
Revaluations	546,784
At 31 March 2024	<u><u>6,032,653</u></u>
NET BOOK VALUE	
AT 31 MARCH 2024	<u><u>6,032,653</u></u>
AT 31 MARCH 2023	<u>5,326,737</u>

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2023	1	4,594,736	4,594,737
Additions	-	605,320	605,320
Disposals	-	(539,159)	(539,159)
Revaluations	-	487,364	487,364
At 31 March 2024	<u>1</u>	<u>5,148,261</u>	<u>5,148,262</u>
NET BOOK VALUE			
AT 31 MARCH 2024	<u>1</u>	<u>5,148,261</u>	<u>5,148,262</u>
AT 31 MARCH 2023	<u>1</u>	<u>4,594,736</u>	<u>4,594,737</u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****17. STOCKS**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Raw materials and consumables	3,790	2,012	-	-
Work in progress	1,325	1,600	-	-
Goods for resale	299,867	297,713	198,432	236,264
	<u>304,982</u>	<u>301,325</u>	<u>198,432</u>	<u>236,264</u>

18. DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Amounts owed by group undertakings	-	-	736,706	476,511
Other debtors	399,013	331,673	395,677	327,752
Prepayments and accrued income	403,809	460,384	397,409	407,931
Tax recoverable	59,605	81,322	59,605	81,477
Legacies receivable	1,982,112	1,645,266	1,982,112	1,645,266
	<u>2,844,539</u>	<u>2,518,645</u>	<u>3,571,509</u>	<u>2,938,937</u>

19. FIXED TERM DEPOSITS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed term deposits	<u>2,585,000</u>	<u>2,755,000</u>	<u>2,585,000</u>	<u>2,755,000</u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	305,771	340,937	297,421	321,472
Other taxation and social security	136,738	118,962	136,738	118,962
Other creditors	67,550	24,980	67,551	24,980
Accruals and deferred income	480,135	720,398	482,061	722,080
	<u>990,194</u>	<u>1,205,277</u>	<u>983,771</u>	<u>1,187,494</u>

21. PROVISIONS

	Dilapidations £
At 1 April 2023	-
Additional provision	286,116
At 31 March 2024	<u>286,116</u>

Following a review of the leased premises the Trustees have decided to provide for future expected repair costs across the charity's leased estate.

The Group dilapidations provision is based on the future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

ROWCROFT HOUSE FOUNDATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS – CURRENT YEAR

	Balance at 1 April 2023	Incoming resources	Expenditure	Transfer	Gains / (losses)	Balance at 31 March 2024
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	4,393,179	-	(206,226)	412,896	-	4,599,849
The Endowment Trust	888,724	36,918	(7,892)	-	64,379	982,129
Hospice build fund	-	-	-	3,000,000	-	3,000,000
	<u>5,281,903</u>	<u>36,918</u>	<u>(214,118)</u>	<u>3,412,896</u>	<u>64,379</u>	<u>8,581,978</u>
GENERAL FUNDS						
General funds	11,368,613	7,980,350	(8,905,418)	(3,412,896)	482,405	7,513,054
Trading subsidiary	(394,884)	250,681	(453,875)	-	-	(598,078)
	<u>10,973,729</u>	<u>8,231,031</u>	<u>(9,359,293)</u>	<u>(3,412,896)</u>	<u>482,405</u>	<u>6,914,976</u>
TOTAL UNRESTRICTED FUNDS	<u>16,255,632</u>	<u>8,267,949</u>	<u>(9,573,411)</u>	<u>-</u>	<u>546,784</u>	<u>15,496,954</u>
RESTRICTED FUNDS						
In-patient improvements - capital	107,841	-	(26,961)	-	-	80,880
RBS improvements - capital	32,822	-	(8,206)	-	-	24,616
Garden access improvements - capital	66,931	-	(12,885)	-	-	54,046
Specified use donations - capital	79,068	-	(32,485)	410	-	46,993
Specified use donations - revenue	208,777	369,044	(375,144)	(410)	-	202,267
Education income - revenue	-	29,517	(29,517)	-	-	-
Primary Care Trust Funding - revenue	-	1,022,115	(1,022,115)	-	-	-
TOTAL RESTRICTED FUNDS	<u>495,439</u>	<u>1,420,676</u>	<u>(1,507,313)</u>	<u>-</u>	<u>-</u>	<u>408,802</u>
TOTAL OF FUNDS	<u>16,751,071</u>	<u>9,688,625</u>	<u>(11,080,724)</u>	<u>-</u>	<u>546,784</u>	<u>15,905,756</u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****22. STATEMENT OF FUNDS (CONTINUED)****STATEMENT OF FUNDS – PRIOR YEAR**

	Balance at 1 April 2022	Incoming resources	Expenditure	Transfer	Gains / (losses)	Balance at 31 March 2023
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	3,949,907	-	(238,425)	681,697	-	4,393,179
The Endowment Trust	758,866	138,831	(12,100)	-	3,127	888,724
The Strategic project fund	410,752	-	-	(410,752)	-	-
	<u>5,119,525</u>	<u>138,831</u>	<u>(250,525)</u>	<u>270,945</u>	<u>3,127</u>	<u>5,281,903</u>
GENERAL FUNDS						
General funds	11,799,874	8,328,082	(8,159,219)	(270,945)	(329,179)	11,368,613
Trading subsidiary	(194,446)	187,922	(388,360)	-	-	(394,884)
	<u>11,605,428</u>	<u>8,516,004</u>	<u>(8,547,579)</u>	<u>(270,945)</u>	<u>(329,179)</u>	<u>10,973,729</u>
TOTAL UNRESTRICTED FUNDS	<u>16,724,953</u>	<u>8,654,835</u>	<u>(8,798,104)</u>	<u>-</u>	<u>(326,052)</u>	<u>16,255,632</u>
RESTRICTED FUNDS						
In-patient improvements - capital	134,802	-	(26,961)	-	-	107,841
RBS improvements - capital	41,028	-	(8,206)	-	-	32,822
Garden access improvements - capital	79,816	-	(12,885)	-	-	66,931
Specified use donations - capital	102,588	20,338	(43,858)	-	-	79,068
Specified use donations - revenue	102,450	382,993	(276,666)	-	-	208,777
Education income - revenue	-	29,791	(29,791)	-	-	-
Hospice UK COVID Funding - revenue	-	88,667	(88,667)	-	-	-
Primary Care Trust Funding - revenue	-	967,538	(967,538)	-	-	-
TOTAL RESTRICTED FUNDS	<u>460,684</u>	<u>1,489,327</u>	<u>(1,454,572)</u>	<u>-</u>	<u>-</u>	<u>495,439</u>
TOTAL OF FUNDS	<u>17,185,637</u>	<u>10,144,162</u>	<u>(10,252,676)</u>	<u>-</u>	<u>(326,052)</u>	<u>16,751,071</u>

ROWCROFT HOUSE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

22. STATEMENT OF FUNDS (CONTINUED)

Transfers from restricted to general funds represent fixed assets purchased from restricted funds.

Designated funds

The Capital fund represents the net book value of the charity's unrestricted tangible fixed assets and is therefore not available for any other purpose.

The Ella Rowcroft Endowment Trust (The Endowment Trust) - to support the ongoing activities of Rowcroft Hospice by establishing, building and investing an endowment fund.

The Hospice build fund

The Hospice build fund represents the charity's contribution from funds to a capital appeal to raise £10m to build a new hospice inpatient unit on site. Previously a strategic project fund was held to fund the planning for this hospice build and two other projects: a specialist nursing home and an assisted living accommodation centre. Planning consent has been received and the capital appeal for the hospice build has commenced.

Restricted funds

Department of Health grants have been received in previous years for ongoing improvement programmes, represented in the following funds:

- Inpatient improvements fund.
- RBS outpatient centre improvements fund.
- Garden access improvements fund.

Specified use donations are received each year from supporters and from grant making bodies towards specific projects – as represented in the specified use capital and revenue funds

The education income fund represents grants and donations towards the provision of end-of-life care education and training.

The Primary Care trust fund represents annual NHS funding through the NHS Devon Integrated Care Board (ICB).

General funds

The Trading subsidiary fund relates to the social enterprise: Devon Farm Kitchen, the year end balance being the first three years deficits for this subsidiary. The negative balance is expected to be a temporary position as the business grows and becomes profitable.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****23. ANALYSIS OF NET ASSETS BETWEEN FUNDS****ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR**

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	206,535	4,599,849	4,806,384
Fixed asset investments	-	6,032,653	6,032,653
Current assets	202,267	6,140,762	6,343,029
Creditors due within one year	-	(990,194)	(990,194)
Provisions	-	(286,116)	(286,116)
TOTAL	408,802	15,496,954	15,905,756

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	286,662	4,393,179	4,679,841
Fixed asset investments	-	5,326,737	5,326,737
Current assets	208,777	7,740,993	7,949,770
Creditors due within one year	-	(1,205,277)	(1,205,277)
TOTAL	495,439	16,255,632	16,751,071

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 2024 £	Group 2023 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(845,315)</u>	<u>(434,566)</u>
ADJUSTMENTS FOR:		
Depreciation charges	269,136	322,497
Losses/(gains) on investments	(546,784)	326,052
Dividends, interests and rents from investments	(348,346)	(234,297)
Loss on the disposal of fixed assets	(9,828)	320
Increase in stocks	(3,657)	(47,259)
Increase in debtors	(325,894)	269,273
Increase in creditors and provisions	71,033	75,171
NET CASH GENERATED BY OPERATING ACTIVITIES	<u>(1,739,655)</u>	<u>277,191</u>

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2024 £	Group 2023 £
Cash at bank and in hand	608,508	2,374,800
Notice deposits (less than 3 months)	2,585,000	2,755,000
Total funds	<u>3,193,508</u>	<u>5,129,800</u>

26. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	2,374,800	(1,766,292)	608,508
Notice deposits (less than 3 months)	2,755,000	(170,000)	2,585,000
Total funds	<u>5,129,800</u>	<u>(1,936,292)</u>	<u>3,193,508</u>

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****27. PENSION COMMITMENTS**

The Group operates a defined contribution scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund held by Standard Life. The commitment for the year ended 31 March 2024 under this scheme is for contributions of £279,268 (2023: £222,864). The charity has no obligation to meet any shortfall arising from any actuarial valuations lower than those originally anticipated.

The Group also participates in the NHS Pension Agency Scheme, a defined benefit scheme on behalf of eligible employees. Pension costs are assessed in accordance with advice from NHS Business Services Authority actuaries. It is not possible for the charity to separately identify assets and liabilities relating to the charity within the NHS scheme for the purpose of FRS102 disclosure.

During the year, the rates of contributions for each scheme were as follows:

Standard Life scheme - employees 1% to 15%, employer 1% to 7%

NHS scheme - employees 5% to 15%, employer 14%.

An increase in employer's contributions to the NHS scheme from 7% to 14% was introduced on 1 April 2004; a support grant received towards the additional cost is received through the NHS grant.

	2024	2023
	£	£
The number of members in each scheme was:		
Defined contribution	229	183
Defined benefit	40	40
	<u>269</u>	<u>223</u>

28. OPERATING LEASE COMMITMENTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Not later than 1 year	199,023	291,361	199,023	291,361
Later than 1 year and not later than 5 years	261,389	299,104	261,389	299,104
	<u>460,412</u>	<u>590,465</u>	<u>460,412</u>	<u>590,465</u>

29. LEGACIES HELD IN TRUST

The charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the Balance Sheet date, the amount receivable cannot be reliably measured, and therefore no income has been recognised in the Statement of Financial Activities in the year.

ROWCROFT HOUSE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****30. PRINCIPAL SUBSIDIARIES**

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding	Included in consolidation
The Ella Rowcroft Endowment Trust	CE19580	1186330	100%	Yes
Devon Farm Kitchen Limited	12353512		100%	Yes

The financial results of the subsidiaries were:

Names	Income and other gains £	Expenditure £	Profit / (Loss) / Surplus / (Deficit) for the year £	Net assets £
The Ella Rowcroft Endowment Trust	101,297	(7,892)	93,405	982,129
Devon Farm Kitchen Limited	250,681	(453,875)	(203,194)	(598,078)

On 13 November 2019 The Ella Rowcroft Endowment Trust was registered as a charitable incorporated organisation (CIO) with the Charity Commission for England and Wales. The Ella Rowcroft Endowment Trust is a separate legal entity, able to hold property in its own name.

On 9 December 2019 Devon Farm Kitchen Limited was incorporated as a limited company with Companies House. Devon Farm Kitchen is a separate legal entity, able to hold property in its own name.

ROWCROFT HOUSE FOUNDATION LIMITED

England & Wales - Charity number 282723

Accounts

Registered number: 01561601
Charity number: 282723

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

ROWCROFT HOUSE FOUNDATION LIMITED

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ROWCROFT HOUSE FOUNDATION LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	C M Edwards S Scott-Bryant A Janzen A Tapson H Wallwork J A H Moffat I N Hale T K Howard C J Brant C A Karakusevic R E Banks (resigned 21 June 2023) H E Boyd
Company registered number	01561601
Charity registered number	282723
Registered office	Rowcroft Hospice Ella's Garden Avenue Road Torquay Devon TQ2 5LS
Company secretary	C Moores (appointed 30 September 2022)
Chief executive officer	M Hawkins
Independent auditors	Bishop Fleming LLP Chartered Accountants 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	Nat West Bank PLC PO Box 69 Riviera House Nicholson Road Torquay TQ2 7YL

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report for Rowcroft House Foundation Limited (the "charity, "Hospice" or "Rowcroft") and its subsidiaries (collectively the "Group") for the year ended 31 March 2023.

The Trustees confirm that the Group financial statements comply with the current statutory requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP FRS 102) "Accounting and Reporting by Charities" effective 1 January 2019.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The charity (number 282723) is a company limited by guarantee (number 01561601), incorporated on 14 May 1981, and is governed by its Articles of Association (revised September 2021). It is led by a Board of Trustees, details of which are given on page 1.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Articles of Association.

Trustees are appointed to the Board of Trustees by an open recruitment process inviting applications with appropriate skills, experience and/or qualifications predominantly from the community of South Devon. The process follows the hospice's recruitment policy and procedure. The successful applicants are invited to become Members of the Association, prior to a General Meeting at which their appointment is formally ratified.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All newly appointed Trustees meet with senior team members to understand the activities of the charity as well as a tour of the hospice and discussion with the Chair of Trustees, other Trustees and the Chief Executive. Relevant documentation is made available to the newly appointed Trustees including the Articles of Association, past Board of Trustees and Committee minutes and a copy of the Trustee induction pack. All Trustees are expected to undertake a programme of mandatory training covering key topics including anti-bribery, equality, diversity and human rights and safeguarding.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees are responsible for determining the strategic direction of the organisation, ratifying policy and ensuring compliance with internal governance and external regulations and legislation.

The Trustees meet with the Executive Directors every three months at a Rowcroft Board meeting. The Rowcroft Board considers strategic direction and reviews performance against strategic and operational indicators.

Day to day management of the hospice is delegated to the Chief Executive and the Senior Management Team.

The Senior Management Team consists of the Executive Directors and Senior Heads of Department. The Senior Management Team meets weekly to discuss current issues and projects and monthly to review progress on strategic goals and monthly governance reports including patient care and quality, information governance, finance and Investments, income generation and human resources.

The hospice is organised into departments with each having a head of department who is responsible for the day to day running and budget management of that department.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

OUR OBJECTIVES AND ACTIVITIES

To provide support and the best care possible to people facing a progressive, life-limiting illness in South Devon. We deliver this through:

- Providing care to patients, their families and friends, where they have complex needs which require our specialist skills
- Meeting each individual's: physical, emotional, social and spiritual needs, providing support both before and after bereavement
- Providing palliative care and associated support services to the adult population in South Devon
- Promoting excellence in palliative care across the community through education, training and support of carers, professional health and social care providers and the public
- Developing a community-wide understanding of end of life care issues including the appropriate influence on the services provided by others, including the NHS and third sector organisations

The total population of the geographical area served is 280,000. Whilst the majority of our patients have a cancer diagnosis, we also support people with other progressive, life limiting conditions. In addition to care for the physical, psychological, social and spiritual needs of the patient, the needs of each patient's family and friends are also addressed. The majority of referrals are received via the NHS, either directly from GPs or hospital consultants.

We seek the views of beneficiaries through surveys, user groups and engaging with the local community. We further engage with the local community to seek financial and volunteering support.

OUR VISION

- To make every day the best day possible for patients and those closest to them, living with life limiting illnesses in South Devon

OUR VALUES

- Honesty and integrity
- Generosity of spirit
- Team player
- Respect

OUR EMPLOYEES AND VOLUNTEERS

The Board of Trustees would like to express its warmest thanks to all staff and volunteers for their dedication and commitment to the hospice throughout another year.

Rowcroft is committed to investing in staff development across all the disciplines we engage. The Rowcroft Education team provide personal development courses throughout the year to ensure that staff and volunteers have access to relevant opportunities. Where appropriate, Rowcroft also engage with external training suppliers.

Rowcroft recognises its social and statutory duty to employ disabled persons and individuals on Government assisted work schemes wherever possible.

During the year Rowcroft benefited from considerable volunteering hours: working on the wards, bereavement support, admin & reception, retail activities, therapies & services, transport, estates and in fundraising.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Thank you.

OUR ACHIEVEMENTS AND PERFORMANCE

In setting objectives and planning activities for the year, the Trustees gave careful consideration to ensuring that the charity's activities are to the public benefit, with due regard to Charity Commission Guidance.

1. **Delivery of excellent hospice & community-based care:** through inpatient care, community services, outpatient services and Hospice at Home services to support patients in their own homes.

The Care Quality Commission undertook a routine inspection in October 2021 and published the results in December 2021. The CQC reported an overall rating for Rowcroft Hospice as "Good". The CQC based their overall rating on the following 5 questions:

- | | |
|------------------------------|--------------|
| • Is the service safe? | Rating: Good |
| • Is the service effective? | Rating: Good |
| • Is the service caring? | Rating: Good |
| • Is the service responsive? | Rating: Good |
| • Is the service well led? | Rating: Good |

Throughout 2022/23, Rowcroft gathered patient and family feedback to assess quality of service. The feedback is assessed and recorded using an online independent tool "I Want Great Care". Rowcroft services were scored 4.47 out of 5.00 for the year with 94% of people using our services saying they had a positive experience.

2. **Enabling and supporting others to deliver excellent palliative care:** through the provision of education to professionals and information to the public:

- Rowcroft provided a comprehensive programme of education to a variety of health and social care community staff and carers, which this year included both online and in person courses. Events were held on cancer and specific non-cancer related illnesses
- A care home facilitator remains in post to support and train staff working in residential and nursing homes, with care home staff receiving bespoke training from Rowcroft free of charge
- We provided placements to doctors, medical students and other medical professionals enabling them to experience end of life care within a hospice environment
- We also provided placements to non-medical students enabling them to gain experience of the hospice environment

3. **Developing our facilities:**

- We completed our annual ward and outpatient maintenance programme to the highest standards. We also maintained our grounds to the highest standard to provide a suitable environment for patient and staff wellbeing
- During the year, we received planning permission for the development of the Rowcroft estate to expand and improve our hospice care provision and to create two new income-generating commercial operations with a view to building more stable funding streams for the hospice:
 - a new purpose-built inpatient unit, increasing our capacity to 14 beds
 - a 60 bedded nursing home and
 - a 40 unit assisted living accommodation

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

4. **Strengthen our market position** through effective internal and external communication and business processes which provide accurate and appropriate information:
- We have continued to improve internal communication. We continue to hold pulse surveys of staff groups to assess staff welfare and prompt feedback on where we can improve. These surveys test how our teams are feeling at times that are most significant for those teams as opposed to a hospice-wide survey at a set time of the year
 - During the year we have further improved external communication. We have continued to share patient stories through all the channels available to us and improved the content we share and the clarity of the messages
 - We have also provided easier access to information for those needing our support and for those wishing to support our charitable purpose, particularly through improvements to our website
 - We have presented to community groups and businesses with the aim of informing as many local organisations as possible of our services and our fundraising needs
5. **Funding our vision** by ensuring all our services and operations meet the needs of patients and supporters while increasing the number of supporters:
- We continually review and update our marketing programme to extend community and health and social care professionals' understanding of our charitable status and the high-quality services we provide
 - The core focus of our marketing this year was the impact of Rowcroft on the local community, patients and families. We did this through patient and family stories and through special moments that Rowcroft was able to provide for patients and families
 - We continue to develop our relationship with the NHS through the recently re-structured Devon Clinical Commissioning Group (becoming the Devon Integrated Care System (ICS) in 2022) and we contributed to a Devon-wide review of End of Life Care funding
 - We continue to hold fundraising events with a very successful men's walk, our "Big Tackle", taking place in the last quarter of the year with more planned for the coming year. We have also re-introduced other in-person fundraising through our community channels, including further mass participation events, and canvassing for lottery members.
 - The Retail team continue to attract thousands of regular customers into our 15 shops
 - Volunteering has continued to grow since the pandemic with more volunteers providing essential support to the services we provide, providing volunteers with opportunities to gain experience and personal development while supporting Rowcroft. Building and maintaining our volunteer base remains a priority.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Our 5-year strategy (2018 to 2023) outlined 5 clear strategic goals:

1. To deliver outstanding personalised specialist palliative care when and where it is needed, 24/7, regardless of diagnosis or circumstance
2. To be the community specialist palliative care provider of choice for patients across South Devon
3. To extend the reach of our palliative care to one in two adults living with life-limiting illnesses across South Devon by 2023, and two in three by 2030
4. To empower and educate the community by becoming a 'community beacon' in end of life care
5. To build a sustainable future with new, diversified funding streams that will represent at least 10% of Rowcroft's funding by 2023, and to achieve reserves that equate to 50% of the hospice's annual running costs

The strategic period 2018 to 2023 has now come to an end and a new strategy has been developed for the coming 6 years.

While the latter half of the 2018 to 2023 period was one of significant challenge, the Trustees are pleased with the outcomes of the strategic goals, and encouraged by these successes as we move into the new strategy period:

1. Outstanding personalised specialist palliative care

- Rowcroft continued to be available to our patients and families 24/7, regardless of diagnosis or circumstance, despite the challenges associated with the pandemic and lockdowns
- Patient feedback giving Rowcroft services an excellent rating of 4.47 out of 5.00 in the final year of the strategic period and excellent throughout
- A rating of Good with the CQC from an inspection in October 2021

2. Community specialist palliative care provider of choice

- Rowcroft continues to be the specialist palliative care provider of choice for patients across South Devon with increased patient numbers once again this year
- A total of 3,955 patient referrals across our services, with 2,478 individual patients receiving Rowcroft care during the year

3. Extending our reach to 1 in 2 adults living with life-limiting illnesses in South Devon by 2023

- The strategic plan to introduce increased provision of Community and Hospice at Home services from 2020/21 was significantly impacted by the pandemic. Ultimately the goal of reaching 1 in 2 adults living with life limiting illness was not achieved. However, we have stepped up our Hospice at Home resources in line with the strategic plan and are ready to meet the patient targets originally set in the strategy. We have also seen a significant increase in our community patient numbers.

4. Empower and educate the community by becoming a 'community beacon' in end of life care

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

- During the year, Rowcroft continued to provide end of life care education and training to the South Devon health and social care community, free of charge. We provided educational resources and training sessions as well as placements to medical and non-medical clinical staff
 - Our increasing community service referrals extended our reach within local NHS community services and within the local community in general.
- 5. Building a sustainable future. New, diversified income streams accounting for 10% of Rowcroft Funding by 2023. Reserves that equate to 50% of annual running costs.**
- Since launching in 2021, Devon Farm Kitchen (100% subsidiary of the charity) continues to produce and supply tasty, nutritious meals to the over 65's in South Devon. Devon Farm Kitchen completed its second year of trading in 2022-23 having delivered over 55,800 meals to customers' homes in the first two years. Customer numbers and income continues to grow strongly and the prospects for the company continue to be encouraging and exciting.
 - The Ella Rowcroft Endowment Trust Charitable Incorporated Organisation (CIO) continues to grow, with net funds of £888,724 at 31st March 2023, an increase of 17% in the year.
 - While the returns from Devon Farm Kitchen and The Ella Rowcroft Endowment Trust are not yet at 10% of Rowcroft total income, progress has been significant. At this stage, the level of net assets within The Ella Rowcroft Endowment Trust exceed the original expectations.
 - Further, we achieved a milestone in achieving our longer-term objective of building additional income streams on the Rowcroft estate with the granting of planning permission during the year for:
 - o A 60 bedded specialist dementia / complex nursing home
 - o A 40 unit assisted living accommodation
 - o A new inpatient unit, increasing our bed numbers from 12 to 14
 - Rowcroft met its strategic objective to hold reserves equivalent to 50% of the annual running costs for the following year early in the strategic period. At 31st March 2023, this objective continued to be achieved.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

SERVICE REVIEW

Rowcroft Hospice provides the following services:

- 12 bedded inpatient unit
- Community specialist palliative care service
- 24/7 Hospice at Home service
- Outpatient services
- Bereavement and listening service
- Education and training for health & social care staff, volunteers & carers in palliative/end of life care

Numbers of Patients/ beneficiaries in 2022/23

- The Inpatient Unit admitted 364 patients [2021/22: 300 patients]
- The Community Team received 1,614 individual referrals [2021/22: 1,400 individual referrals]
- Rowcroft Hospice at Home had 500 patients referred, nursing people in their own home or care home in the last weeks of life [2021/22: 536 referrals]
- Education: providing End of Life Care training to 1,134 participants [2021/22: 661 participants]

Performance against the improvements and priorities planned for 2022/23

1. Patient Safety – To develop competencies in the use of medical and moving and handling equipment

Outcome measure: implementation of competencies to all staff who use equipment to provide patient care

Performance: Over this year we have implemented clinical competencies in the Inpatient Unit (IPU) and associated educational sessions. This was supported in a grant from HEE, to start specifically with healthcare assistants (HCAs) in the IPU. This work continues and we recognise that this is an ongoing requirement.

2. Effectiveness – To implement the agreed new Inpatient Unit Care Model

Outcome measure: implementation group meets regularly to action the implementation plan over the next five years, reviewed quarterly by the Quality and Patient Safety Committee

Performance: We have implemented the new IPU care model and cross-referenced this to the more recent IPU cultural review. This will prepare the IPU to meet the needs of future patients and their loved ones. From the IPU cultural review, an action plan has been developed and this is monitored through QUIPS (Rowcroft's Quality and Patient Safety Committee).

3. Effectiveness – To implement electronic prescribing for community teams

Outcome measure: electronic prescribing being used by our NMPs (Non-Medical Prescribers) and community doctors

Performance: We delayed the use of electronic prescribing for our community teams due to technical issues with the provider of SystmOne, our patient record system, following the roll out of a new module. We aim to implement electronic prescribing once it is approved for use (expected Autumn 2023)

4. Effectiveness – Implement a new e-rostering system that links to payroll

Outcome measure: e-rostering system being used effectively across clinical teams

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Performance: A decision was made not to implement this system; however, our teams continue to use the existing system: Staffcare, and we are looking to explore other alternatives which will enable the system to fully integrate with payroll and HR in future.

5. Responsive – Develop a falls prevention strategy and management plan

Outcome measure: reflection and learning group outcomes, completion of a deep dive audit and a published falls prevention strategy and associated policy

Performance: Over the past year we have successfully implemented a new Falls Prevention Policy and new risk assessments for falls and bed rails which are required to be completed on admission and then during each shift. We now also have falls champions in place for guidance around falls; every patient is classed as a falls risk upon admission.

6. Caring – Review Inpatient Unit and Hospice at Home patient care plans and consider the use of digital access to these for staff

Outcome measure: An agreed system and implementation of an electronic bedside care plan

Performance: Work is underway to fully implement digital, personalised patient care plans within the IPU, and we will have extra laptops to enable our teams to complete the care plans in real time at the patient's bedside. The next phase of our plan is to review Hospice at Home and Community Team care plans.

7. Caring – Further develop our network of spiritual care advisors as part of the phase 2 roll out of our Spiritual Care Strategy

Outcome measure: comprehensive list of local advisors

Performance: We further strengthened spiritual care at Rowcroft and now have six faith and belief leaders representing five faith and belief groups. We are aiming to bring this group to a total of seven. Our Spiritual Care Specialist has worked to develop strong links with our local faith and belief groups and has built on links within local organisations, including Torbay Hospital's Chaplaincy Service and the Devon Partnership Trust.

8. Well led – Continue to promote professionalism and support continued learning

Outcome measure: 80% of clinical registered staff have accessed 'professional challenges' educational sessions

Performance: Last year we set out to achieve a target of 80% of clinical registered staff to have accessed 'professional challenges' educational sessions. At the end of this financial year, we are happy to report that 89.65% of all registered nurses, clinical nurse specialists, social workers, occupational therapists, physiotherapists, and complementary therapists in the IPU have completed this (this is excluding bank staff). The feedback has been incredibly positive.

9. Well led – Roll out of medical examiner scrutiny

Outcome measure: processes to enable scrutiny of all deaths by the local medical examiners will be in place, including how any learning is disseminated effectively within the organisation

Performance: From the beginning of October 2022, all deaths in the IPU at Rowcroft have been referred to the local medical examiners. Feedback from the medical examiners is discussed within the medical team and

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

raised at our peer review meetings if needed. Wider learning regarding patient care is fed back to the IPU at team meetings and to our Quality and Patient Safety Committee as required.

10. Well led – Implement new national guidance on care after death (in Inpatient Unit) and Verification Of Expected Death (VOED) by registered nurses

Outcome measure: review of national guidance and plan for changes to be implemented in relation to care after death

Performance: A large percentage of our nursing staff in the IPU have been trained in VOED; arrangements are underway to ensure this is continued for new starters.

11. Well led – As lead and partner, we will reinstate the locality education committee to refresh the locality education plan

Outcome measure: reviewed and updated locality education training plan in palliative and end of life care

Performance: During the past year, the locality Education Committee and groups have been working within a strategy of eight pillars (Learning and Education Strategy, continual Professional Development Strategy, placement expansion, apprenticeships, learner experience, upskilling, social care, and advanced practice).

Where we feel we can improve and our priorities for 2023/24

1. Patient Safety - Implement the new Patient Safety Incident Response Framework (PSIRF)

Outcome measure: Completion of a new Patient Safety Incident Response Policy and Plan.

2. Patient Safety - Explore and trial a new lone worker device

Outcome measure: A smartphone-enabled lone worker device will be trialed in the Hospice at Home/Community service and the results will be fed back through QUIPS.

3. Patient Safety - Develop Hospice at Home specific competencies for SHCAs

Outcome measure: Competencies will be implemented in Hospice at Home for SHCAs.

4. Effectiveness - E-prescribe

Outcome measure: Electronic prescribing will be used by our Non Medical prescribers (NMPs) and community doctors.

5. Effectiveness - To implement the agreed new IPU Care Model

Outcome measure: Implementation group will meet regularly to action the implementation plan over the next five years, reviewed quarterly by the Quality and Patient Safety Committee.

6. Effectiveness - Hospice referral criteria leaflet

Outcome measure: Improved support will be given to healthcare professionals looking to refer to our services.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

7. Effectiveness - Competencies in the IPU

Outcome measures: Inpatient Unit HCA and Registered Nurse (RN) competencies will be fully implemented

8. Effectiveness - Research involvement

Outcome measures: There will be active involvement in at least one research project in relation to end of life care.

9. Responsive - Community five-year strategy

Outcome measures: There will be increased support for the growing demand for palliative care services in the Torbay and South Devon community

10. Responsive - Trainee nurse associates (TNA)

Outcome measures: There will be support for another two TNAs across the Hospice at Home service and the IPU

11. Responsive - Support to homeless groups within the local community

Outcome measures: There will be increased support from community nurses to patients within this group.

12. Caring - Digital care plans

Outcome measures: There will be improved, person-centered care plans for our teams which enable care plans to be captured in the moment at the patient's bedside.

13. Well led - Implementation of our new Rowcroft's RISE (Reflect, Innovate, Suggest, Engage) initiative to embed the new Care Quality Commission's Single Assessment Framework.

Outcome measures: To enable staff to be aware of the Care Quality Commission, support them to feel prepared for an inspection by completion of training and creation of a Staff Handbook.

14. Well led - Goal, Reality, Options, Will model implementation (GROW)

Outcome measures: To implement GROW and have active champions across the clinical teams.

Further details available from the Hospice Quality Account 2022/23 at:

<https://rowcrofthospice.org.uk>

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW

Total funds (note 21) decreased to £16.8m [2021/22: £17.2m]

Total incoming resources can be summarised as follows:

• NHS grant funding	£2.4m	24%	[2021/22: £2.3m	22%]
• Fundraising income	£2.7m	27%	[2021/22: £3.0m	28%]
• Retail income	£2.3m	22%	[2021/22: £1.8m	17%]
• Legacy income	£2.1m	21%	[2021/22: £3.1m	29%]
• Other	£0.6m	6%	[2021/22: £0.4m	4%]
• Total income	£10.1m	100%	[2021/22: £10.6m	100%]

Income generation (Fundraising & Retail) as a percentage of total income was 49%. [2021/22: 44%].

Legacy income as a percentage of total income was 21% from 29% [2021/22]

NHS grant income as a percentage of total income was 24% from 22% [2021/22]

Net income after costs from income generation of £1.5m [2021/22: £1.2m]

Reserves at the year-end: £11.0m [2021/22: £11.6m], representing 12 months of expenditure in reserve [2021/22: 14 months]. Reserves being unrestricted funds less designated funds as per note 21 to the accounts.

The Trustees consider the principal risks and uncertainties to the organisation, measured using likelihood and consequence as Low, Medium and High risk.

Risk	Rating	Mitigation
Health and economic environment of the UK and in the South Devon region during the period following the pandemic	Medium Risk	Holding higher levels of reserves
Inflationary pressures and the cost of living impact	Medium Risk	Holding higher levels of reserves
Increased competition for donations potentially reducing income below the levels required	Medium Risk	Investments in raising awareness, financial reporting and benchmarking
Reputational risk from events: patient care or operational events such as a cyber-attack or a health and safety issue	Medium Risk	Comprehensive training programmes, policies and procedures and continuous performance review
Staff attraction and retention. We have an ageing workforce, as does the NHS. There is a shortage of nursing staff across the UK	Medium Risk	We provide benefits and opportunities to remain an attractive employer to existing and potential employees. Continuous improvement in our recruitment marketing processes and materials
Financial risk; investment of reserves in a time of high volatility driven by global economic pressures	Low Risk	Investments are managed by expert advisors and reviewed regularly. Investment brief is to invest for long term returns

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

RESERVES POLICY

Reserves are required in order that the Group is protected against future events known and unknown and to maximise future opportunities and weather future challenges.

For the hospice to meet its objectives of providing care for patients suffering from life-limiting illnesses, the Board of Trustees (the "Board") has considered the group's resources and commitments. The hospice has a long-term commitment to people throughout South Devon and it requires long-term plans.

Much of the hospice's income comes from voluntary giving and is therefore volatile and cannot be guaranteed. Much of the hospice's expenditure however is fixed, due to the nature of the work, its commitment to delivering services and hence a major proportion of costs being in staffing.

Against these considerations, the Board is conscious of the need to apply charitable funds in a timely fashion and to avoid building up excessive levels of reserves. By law, income received must be spent within a reasonable period unless there is good reason not to do so.

Having regard to these factors, the Board believes that an appropriate balance is to hold a level of available reserves which would allow the Group to meet its financial obligations as well as to facilitate initiatives which further its charitable aims.

The Policy should be regularly monitored and its effectiveness reviewed in the light of the changing funding and financial climate and other risks. The Board should conduct a formal review once a year at the time of approving the next year Budget.

The benefit of a Reserves Policy is:

- To assist in strategic planning, for example considering how new projects or activities will be funded
- To inform the budget process, for example, is it a balanced budget or do reserves need to be drawn down or built up?
- To inform the budget and risk management process by identifying any uncertainty in future income streams
- To demonstrate to beneficiaries, donors, funders and the wider public that you are acting to protect the Group from future challenges and changes in economic circumstances

Guiding principles to justify the level of reserves and their use:

- To protect and sustain the Group's charitable activities should income or expenditure become seriously out of line with expectations
- To have a level of funds available to support charitable one-off initiatives which fall outside the annual plan
- To have a sufficient level of funds available to support new long-term initiatives in their launch phase and before fundraising support can be fully realised

Definition of Reserves for this policy

Reserves for the purposes of this policy are equal to the sum of general funds as detailed in the notes to the Group's financial statements. These are the amounts of unrestricted funds that are freely available to spend on the Group's activities. This can also be represented as:

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Total Unrestricted Funds less:

- Capital Fund
- The Endowment Trust Fund
- Strategic Project Fund

All of which are unrestricted funds but have been allocated to specific activities and are not freely available.

Level of Reserves necessary to meet the objective of this reserves policy

- A minimum of 6 months of total operating costs of the Group in the budget for the following year **[FY23/24 £5.5m], plus**
- A discretionary "Opportunity Fund" of **£0.2m** to be allocated from reserves each year to support initiatives proposed by the Executive and approved by the Trustees
- **Total reserves of £5.7m for the year to 31st March 2024**

Should Reserves, once established, either be forecast to, or fall below this level for whatever reason, immediate steps will be taken to reinstate them over a reasonable period.

The Board also recognises that keeping Reserves at this level would, in the unlikely event of the charity having to cease operations, be sufficient to pay for winding up liabilities.

Changes since the last Reserves Policy

The Board has changed the reserves policy from a policy focusing on a specific group of assets: cash deposits, fixed asset investments and land and buildings to a policy based on the Group's fund accounting, bringing the policy more into line with the sector.

The previous policy was written to focus on specific, easily identifiable assets at a time of financial distress for the charity. The change to the more standard fund accounting method of calculation reflects the improved financial position of the charity. As a result, the Board consider it appropriate to hold a level of reserves under the fund accounting method based upon a minimum of 6 months of operating costs.

INVESTMENT POLICY

The Trustees intend that the real value of the Group's assets and funds (collectively "Invested Assets") be maintained and enhanced over the medium to long term (5 years).

Invested Assets to comprise a mix of:

- Financial Investments: a portfolio comprising equities, fixed income stocks and cash, intended to increase their value and produce a financial return to support the operating costs of the charity
- Treasury Management: Interest bearing cash deposits; specifically intended to maintain their overall value while safeguarding the cash against counterparty risk
- Non-financial Investments: in non-financial assets including land and property, intended to increase their value and produce a financial return to support the operating costs of the charity

The aim is to achieve the best financial return within an acceptable level of risk while maintaining sufficient liquidity for operations and opportunities.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees delegate oversight of Rowcroft's Invested Assets to the Finance and Investment Committee who manage a framework of controls over the risk appetite for Financial Investment, Treasury Management and Non-Financial Investments. These controls are reviewed at least twice a year.

A. Financial investments: Investment Portfolio

Rowcroft adopts a total return approach to Financial Investments, generating the investment return from income and capital gains or losses.

For the purposes of the charity, the Trustees may wish to withdraw income from time to time to meet expenditure and this requirement will be discussed with the investment management company, as necessary. The withdrawals may be met from income or capital.

Attitude to risk

Rowcroft relies on the investment return to support operating costs and underwrite underperformance of operational income generating activities in any one year. The key risk to the long-term sustainability of Rowcroft is securing sufficient income from fundraising events, legacies, individual and corporate donors and our retail operations which are supplemented by income from Financial Investments. The assets are to be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value, as long as Rowcroft is able to meet its short-term cash requirements through either operating income or liquid Invested Assets.

Liquidity Requirements

For liquidity purposes the Trustees wish to keep at least 20% of the Financial Investments realisable within 3 months.

Time Horizon

Rowcroft is expected to exist in perpetuity. Financial Investments should be managed to meet the investment objective and ensure sustainability. The Trustees therefore adopt a long-term investment time horizon.

Investment Brief

In order to meet these objectives, the Trustees have contracted Quilter Cheviot as their investment manager to manage a diversified portfolio of suitable investments on a discretionary basis. Investments will be managed in accordance with the contents of this Investment Policy. In the future, the Trustees may wish to limit Financial Investments in specific companies, sectors or countries and will inform the investment manager of any such restrictions as they are determined.

The proportion of the portfolio invested in equities, fixed income stocks and cash will be reviewed by the Trustees with the agents from time to time to agree a suitable mix of investments for the coming period. It is anticipated that such a review will take place twice a year.

The Financial Investment mandate risk is reviewed annually at the June meeting of the Rowcroft Finance and Investment Committee.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Social Investments

Trustees are permitted to take Rowcroft's purpose and values into account when making investment decisions, even if a particular investment might provide a lower return than an alternative. This may be in the charity's best interests if it reflects the charity's values and charitable purpose.

Responsible & Ethical Investment

Our aim is to maximise the return on the investments held with our investment manager over the long term within an appropriate risk framework. We will not make investments that conflict with our Vision and Values and we will protect our charity's reputation by being a responsible investor.

Our decisions and actions are informed by three related principles: positive public health and wellbeing, responsible investment and low reputational risk:

- **Positive public health and wellbeing** - we will not invest in organisations whose principal products or services are evidenced to be detrimental to the health and wellbeing of individuals and society. According to this principle, we instruct our investment managers not to invest in companies whose principal activities promote tobacco. They are also instructed to avoid collective investment vehicles that invest in companies whose principal activities promote tobacco. We are prepared to accept the possibility of lower returns to avoid such investments.
- **Responsible investment** – the charity wishes to be a responsible investor, and as such, we will avoid investing in organisations with a negative track record and/or poor strategy on environmental, social and governance (ESG) issues. While we accept that ESG screening is not yet comprehensive, and that a company may perform more positively against some ESG criteria but negatively against others, our overall aim is to invest in companies that demonstrate strong ESG performance. While these examples are not exhaustive, environmental criteria include a company's carbon emissions strategy, ending deforestation, pollution and stewardship of the natural environment. Social criteria include how a company manages relationships with employees, suppliers, customers, and the communities in which it operates, including promoting diversity and inclusion. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, we expect our investment managers to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate.
- **Low reputational risk** - our charity will seek to avoid investing in organisations that we reasonably believe beneficiaries, supporters, and other stakeholders would be averse to. Examples include high stakes gambling or high interest money lending, this list to be reviewed from time to time.

Trustees are required to evaluate the impact of their investment decisions and balance the risk of lower returns against the risk of alienating support or damaging reputation.

Review/Reporting

The Trustees will regularly consider whether there is a need to revise this Policy Statement and keep under review the arrangements under which the investment manager acts.

The Trustees require valuations on a quarterly basis and a year-end report containing detailed information relating to income and gains for use by the charity's auditors. The Trustees expect the investment manager to attend a meeting of the Finance and Investment Committee twice a year to report in person, and regularly appraise the Finance and Commercial Director during the year.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

We will implement this Policy in a pragmatic manner to optimise returns and we will be guided by our investment manager in terms of the specific timing of the sale or purchase of existing holdings in the event that these conflict with this Policy.

B. Treasury Management: interest bearing deposits

Rowcroft holds a sufficient level of cash within working capital to manage unexpected drops in generated income, unexpected costs, or short-term project requirements.

From time-to-time Rowcroft holds excess cash. Holdings for major projects, major fundraising campaigns or in periods when it is not considered opportune to increase the value in the investment portfolio or make non-financial investments.

Cash deposits, either working capital or excess cash, are only deposited with Global Systemically Important Institutions (SII's) a list of which is monitored by the Trustees. These deposits are specifically intended to maintain their overall value while safeguarding the cash against counter party risk.

C. Non-financial investments: non-financial assets

Rowcroft adopts a total return approach to non-financial investments, generating the investment return from income and capital gains or losses.

Attitude to risk

Rowcroft relies on its investment return to support operating costs and underwrite underperformance of income generating activities in any one year. The key risk to the long-term sustainability of Rowcroft is securing sufficient income from fundraising events, legacies, individual and corporate donors and our retail operations as supplemented by returns from non-financial investments. The assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value, as long as Rowcroft is able to meet its short-term cash requirements through either income or liquid capital assets.

Liquidity Requirements

Rowcroft does not require non-financial investments to have a level of liquidity.

Time Horizon

Rowcroft is expected to exist in perpetuity; investments should be managed to meet the investment objective and ensure sustainability. The Trustees therefore adopt a long-term investment time horizon.

Investment Brief

Investment opportunities will be considered by the Strategic Project Committee (Panther), reviewed by the Finance and Investment Committee and then proposed for approval at the Rowcroft Board of Trustees.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Future plans and future funding have been considered during the Going Concern review, in light of the impact of the global and UK economic environment and the Trustees consider that there are sufficient reserves and reasonable and practical plans to ensure the Going Concern basis.

INFORMATION ON FUNDRAISING PRACTICES

Fundraising Activities

The Trustees monitor Fundraising practices on an ongoing basis through a Non-Clinical Committee, meeting quarterly and at Board of Trustee meetings.

We believe in the highest possible standards for our fundraising, considering supporter preferences in all our activity. We consistently ensure that all our activities are compliant with regulatory standards and in line with the intent of those standards.

Rowcroft adopts the Fundraising Regulator standards and is committed to the Code of Fundraising practice.

During the year Rowcroft received no formal complaints arising from our fundraising.

Personal Data

Rowcroft does not sell 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 this.

We encourage all supporters or beneficiaries to contact us with any comment or complaint, in the first instance to the Rowcroft team member responsible for the area of concern and then through our comments and complaints procedures, as published on our website.

Protecting vulnerable people and others

Rowcroft has robust practices that ensure that we do not undertake any intrusive fundraising activity.

We may, from time to time, undertake a telephone campaign or mailing. All campaigns are undertaken in accordance with Telephone Preference Service 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 Rowcroft based upon their personal preferences shared with us or where relevant under legitimate interest.

ROWCROFT HOUSE FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

PLANS FOR FUTURE PERIODS

The Trustees have agreed a new strategic plan for the coming period: 2024 to 2030.

The Goals:

- Deliver a specialist palliative care service to an impeccable standard when and where it is needed, 24/7, regardless of diagnosis or circumstance
- Extend our delivery of palliative care to reach over 3,000 adults per year by 2030
- Build a sustainable future for the hospice (commercially and environmentally)

Through three strategic pillars:

- Talent: Build exceptional teams, united as one, embracing the future
- Technology: Embrace innovation for greater impact
- Together: Engage across our community, diversifying income, re-modelling the hospice for the future

Full copies of the Rowcroft Strategic plan available at:

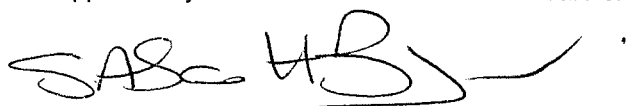
<http://www.rowcrofthospice.org.uk>

DISCLOSURE OF INFORMATION TO AUDITORS

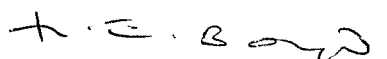
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Approved by order of the members of the Board of Trustees on 18/9/2023 and signed on their behalf by:



S Scott-Bryant
Chair of Trustees



H E Boyd
Chair of Finance and Investment Committee

ROWCROFT HOUSE FOUNDATION LIMITED

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

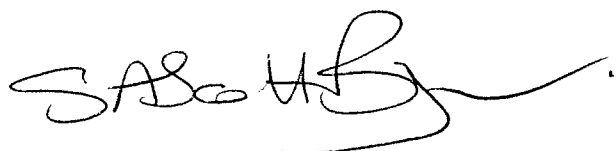
The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

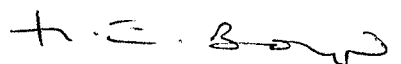
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity 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 charity 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 on 18/9/2023 and signed on its behalf by:



S Scott-Bryant
Chair of Trustees



H E Boyd
Chair of Finance and Investment Committee

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED

OPINION

We have audited the financial statements of Rowcroft House Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED (CONTINUED)

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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 ROWCROFT HOUSE FOUNDATION LIMITED (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:

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

- the nature of the sector, control environment and the Group and Parent Company's performance;
- results of our enquiries of management and the Trustees, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group and Parent Company's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- 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 Group and Parent Company 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 of controls using manual journal entries.

We identified and obtained an understanding of the laws and regulations that are of significance to the Group and to the Parent Company by discussions with Trustees and management and by updating our understanding of the sector in which the Group and the Parent Company operate in. Laws and regulations that are of direct significance to the Group, and of which non-compliance could result in material misstatement, are considered to be the UK Companies Act, Charities SORP, FRS 102, Charities Legislation and UK tax legislation.

In addition, we considered 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 to avoid a material penalty. These included data protection regulations, health and safety regulations, employment legislation and care quality commission compliance.

Our procedures to respond to risks identified included the following for the Parent Company and its subsidiaries, as was considered appropriate:

- 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;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of Trustee meetings; and

ROWCROFT HOUSE FOUNDATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED (CONTINUED)

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

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

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.

Bishop Fleming LLP

Mark Munro FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: 13/10/2023

ROWCROFT HOUSE FOUNDATION LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	492,002	2,855,550	3,347,552	4,527,767
Charitable activities	5	967,537	1,460,474	2,428,011	2,452,005
Other trading activities	6	-	3,962,500	3,962,500	3,399,679
Investments	7	-	234,297	234,297	151,246
Other income	8	29,788	142,014	171,802	99,310
Total income		1,489,327	8,654,835	10,144,162	10,630,007
Expenditure on:					
Raising funds	9,10	-	3,799,840	3,799,840	3,394,550
Charitable activities		1,454,572	4,998,264	6,452,836	5,932,437
Total expenditure		1,454,572	8,798,104	10,252,676	9,326,987
Net income/(expenditure) before net (losses)/gains on investments		34,755	(143,269)	(108,514)	1,303,020
Net (losses)/gains on investments		-	(326,052)	(326,052)	226,305
Net movement in funds		34,755	(469,321)	(434,566)	1,529,325
Reconciliation of funds:					
Total funds brought forward		460,684	16,724,953	17,185,637	15,656,312
Net movement in funds		34,755	(469,321)	(434,566)	1,529,325
Total funds carried forward		495,439	16,255,632	16,751,071	17,185,637

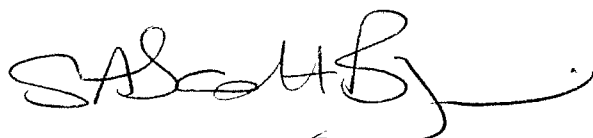
ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER:01561601

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

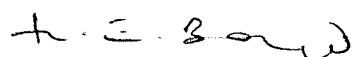
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	4,679,841	4,308,141
Investments	16	5,326,737	4,794,105
		<u>10,006,578</u>	<u>9,102,246</u>
Current assets			
Stocks	17	301,325	254,066
Debtors	18	2,518,645	2,787,919
Investments	19	2,755,000	2,000,000
Cash at bank and in hand		2,374,800	4,171,512
		<u>7,949,770</u>	<u>9,213,497</u>
Creditors: amounts falling due within one year	20	(1,205,277)	(1,130,106)
Net current assets		<u>6,744,493</u>	<u>8,083,391</u>
Total assets less current liabilities		<u>16,751,071</u>	<u>17,185,637</u>
Total net assets		<u>16,751,071</u>	<u>17,185,637</u>
Charity funds			
Restricted funds	21	495,439	460,684
Unrestricted funds	21	16,255,632	16,724,953
Total funds		<u>16,751,071</u>	<u>17,185,637</u>

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

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



S Scott-Bryant
Chair of Trustees
Date: 18/09/2023



H E Boyd
Chair of Finance and Investment Committee
Date: 18/09/2023

The notes on pages 29 to 51 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
REGISTERED NUMBER:01561601

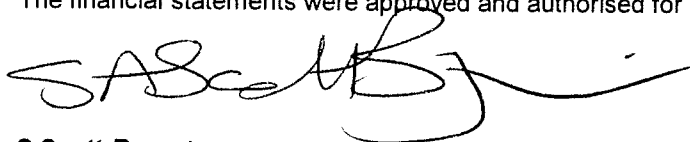
CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	4,679,841	4,308,141
Investments	16	4,594,737	4,794,106
		<u>9,274,578</u>	<u>9,102,247</u>
Current assets			
Stocks	17	236,264	221,907
Debtors	18	2,938,937	3,036,622
Investments	19	2,755,000	2,000,000
Cash at bank and in hand		2,239,946	3,629,358
		<u>8,170,147</u>	<u>8,887,887</u>
Creditors: amounts falling due within one year	20	(1,187,494)	(1,368,917)
Net current assets		<u>6,982,653</u>	<u>7,518,970</u>
Total assets less current liabilities		<u>16,257,231</u>	<u>16,621,217</u>
Total net assets		<u>16,257,231</u>	<u>16,621,217</u>
Charity funds			
Restricted funds	21	495,439	460,684
Unrestricted funds	21	15,761,792	16,160,533
Total funds		<u>16,257,231</u>	<u>16,621,217</u>

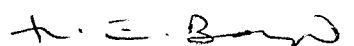
The charity's net movement in funds for the year was £(363,986) (2022 - £1,467,553).

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:



S Scott-Bryant
Chair of Trustees
Date: 18/09/2023



H E Boyd
Chair of Finance and Investment Committee
Date: 18/09/2023

The notes on pages 29 to 51 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash generated by operating activities	277,191	2,089,126
Cash flows from investing activities		
Dividends, interests and rents from investments	234,297	151,246
Purchase of tangible fixed assets	(694,517)	(563,405)
Proceeds from sale of investments	1,131,322	449,915
Purchase of investments	(1,990,005)	(501,205)
Net cash used in investing activities	(1,318,903)	(463,449)
Change in cash and cash equivalents in the year	(1,041,712)	1,625,677
Cash and cash equivalents at the beginning of the year	6,171,512	4,545,835
Cash and cash equivalents at the end of the year	5,129,800	6,171,512

The notes on pages 29 to 51 form part of these financial statements

ROWCROFT HOUSE FOUNDATION LIMITED

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

1. GENERAL INFORMATION

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The company number is 01561601 and charity number is 282723. The registered office is Rowcroft Hospice, Avenue Road, Torquay, Devon, TQ2 5LS.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

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

2.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity and its subsidiaries to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the charity and its subsidiaries to continue as a going concern have been identified by the Trustees.

ROWCROFT HOUSE FOUNDATION LIMITED

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Donated services or facilities are recognised when the Group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of the invaluable volunteer time is not recognised in the income of the charity however please refer to the Trustee report for more information about this ongoing support.

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

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

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

Income raised through the operation of shops under the management of the charity and by the Friends of Rowcroft is taken into account at the time of the receipt by that organisation, and all costs attributable to these activities are included as payments in these financial statements.

Lottery income is accounted for based on the date of the lottery for which the ticket has been purchased.

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.

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

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

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.

2.5 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.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line

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

2. ACCOUNTING POLICIES (continued)

2.7 INVESTMENTS

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

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

2.8 STOCKS AND WORK IN PROGRESS

Stocks and work in progress 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.

2.9 DEBTORS

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

2.10 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.

2.11 LIABILITIES AND PROVISIONS

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

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

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

2.12 FINANCIAL INSTRUMENTS

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

2.13 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.

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

2. ACCOUNTING POLICIES (continued)

2.14 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.

Staff who are eligible participate in the NHS Pension Scheme. The Scheme is an unfunded, multi employer defined benefit scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

2.15 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.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

The Trustees have made judgements and estimations in the process of applying the entity's accounting policies which could result in uncertainty of the carrying amounts of assets and liabilities. Whilst there is a level of assumption in these judgements, the Trustees feel these are unlikely to have a significant effect on, or cause material error to the amounts recognised in the financial statements.

The Trustees have agreed the valuation of the listed investment portfolio as advised by the investment manager.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Costs incurred in connection with the proposed facilities development (as detailed in the Trustees' report) have been capitalised in the financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED

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

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	233,345	701,938	935,283	909,862
Legacies	-	2,124,512	2,124,512	3,121,270
Grants	258,657	29,100	287,757	496,635
TOTAL 2023	492,002	2,855,550	3,347,552	4,527,767
TOTAL 2022	695,717	3,832,050	4,527,767	

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
In-patient unit	-	1,460,474	1,460,474	1,503,414
Community team	379,144	-	379,144	370,258
Hospice at Home	483,776	-	483,776	472,438
Pharmacy	104,617	-	104,617	105,895
TOTAL 2023	967,537	1,460,474	2,428,011	2,452,005
TOTAL 2022	948,591	1,503,414	2,452,005	

ROWCROFT HOUSE FOUNDATION LIMITED

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

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lottery	576,033	576,033	595,082
Fundraising events	919,478	919,478	867,532
Fundraising trading (shops)	2,279,068	2,279,068	1,836,926
TOTAL 2023	3,774,579	3,774,579	3,299,540
TOTAL 2022	3,299,540	3,299,540	

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Sales - Devon Farm Kitchen	187,921	187,921	100,139

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from local listed investments	223,947	223,947	148,648
Bank interest	10,350	10,350	2,598
TOTAL 2023	234,297	234,297	151,246
TOTAL 2022	151,246	151,246	

ROWCROFT HOUSE FOUNDATION LIMITED

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

8. OTHER INCOMING RESOURCES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other income	29,788	142,014	171,802	97,593
Gain on disposal of assets	-	-	-	1,717
TOTAL 2023	29,788	142,014	171,802	99,310
TOTAL 2022	-	99,310	99,310	

9. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment management fees	26,785	26,785	24,664
TOTAL 2022	24,664	24,664	

ROWCROFT HOUSE FOUNDATION LIMITED

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

10. EXPENDITURE ON RAISING FUNDS

Fundraising expenses

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Shop costs	315,227	315,227	288,252
Lottery costs	168,371	168,371	180,055
Event costs	858,344	858,344	768,388
Shops - wages and salaries	2,042,753	2,042,753	1,838,606
TOTAL 2023	3,384,695	3,384,695	3,075,301
TOTAL 2022	3,075,301	3,075,301	

TRADING SUBSIDIARY EXPENSES - DEVON FARM KITCHEN

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Cost of sales	99,557	99,557	45,659
Administration expenses	129,845	129,845	127,101
Administration staff costs	158,958	158,958	121,825
	388,360	388,360	294,585
TOTAL 2022	294,585	294,585	

ROWCROFT HOUSE FOUNDATION LIMITED

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

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
In-patient unit	1,753,763	1,597,221	3,350,984	3,015,313
Community team	1,403,228	254,748	1,657,976	1,578,223
Hospice at Home	841,963	159,067	1,001,030	925,042
Education	122,342	97,111	219,453	206,398
Restricted depreciation	-	84,392	84,392	82,620
Unrestricted depreciation	-	99,019	99,019	91,202
Governance costs	-	39,982	39,982	33,639
TOTAL 2023	4,121,296	2,331,540	6,452,836	5,932,437
TOTAL 2022	3,865,442	2,066,995	5,932,437	

In 2022, of the total expenditure on charitable activities, £4,259,463 was to unrestricted funds and £1,672,974 was to restricted funds.

In 2023, of the total expenditure on charitable activities, £4,998,264 was to unrestricted funds and £1,454,572 was to restricted funds.

12. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the company's Auditor for the audit of the group's annual accounts	25,100	20,350
Fees payable to the charity's Auditor in respect of:		
All non-audit services not included above	1,250	6,350

ROWCROFT HOUSE FOUNDATION LIMITED

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

13. STAFF COSTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	6,134,069	5,515,322	5,985,304	5,409,527
Social security costs	517,871	448,801	517,871	439,823
Contribution to defined contribution pension schemes	468,048	431,107	457,855	424,055
	<u>7,119,988</u>	<u>6,395,230</u>	<u>6,961,030</u>	<u>6,273,405</u>

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

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
	<u>244</u>	<u>243</u>	<u>239</u>	<u>238</u>

The average headcount expressed as full-time equivalents was:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Medical, nursing and professional	79	75	79	75
Domestic and maintenance	15	15	15	15
Administration and fundraising	42	42	37	38
Charity shops	41	38	41	38
	<u>177</u>	<u>170</u>	<u>172</u>	<u>166</u>

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	1	1

Remuneration and benefits for key management personnel (including employers national insurance and pension contributions) totaled £271,514 (2022: £276,107).

ROWCROFT HOUSE FOUNDATION LIMITED

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

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

15. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION					
At 1 April 2022	8,169,491	820,689	149,710	1,698,395	10,838,285
Additions	473,525	58,117	31,190	131,685	694,517
Disposals	-	(3,099)	-	(7,215)	(10,314)
At 31 March 2023	8,643,016	875,707	180,900	1,822,865	11,522,488
DEPRECIATION					
At 1 April 2022	4,317,554	634,131	93,365	1,485,094	6,530,144
Charge for the year	71,298	121,388	7,945	121,866	322,497
On disposals	-	(2,846)	-	(7,148)	(9,994)
At 31 March 2023	4,388,852	752,673	101,310	1,599,812	6,842,647
NET BOOK VALUE					
At 31 March 2023	4,254,164	123,034	79,590	223,053	4,679,841
At 31 March 2022	3,851,937	186,558	56,345	213,301	4,308,141

ROWCROFT HOUSE FOUNDATION LIMITED

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

16. FIXED ASSET INVESTMENTS

		Listed investments £	
GROUP			
COST OR VALUATION			
At 1 April 2022		4,794,105	
Additions		1,990,006	
Disposals		(1,131,322)	
Revaluations		(326,052)	
AT 31 MARCH 2023		<u>5,326,737</u>	
NET BOOK VALUE			
AT 31 MARCH 2023		<u>5,326,737</u>	
AT 31 MARCH 2022		<u>4,794,105</u>	
		Investments in subsidiary companies £	Listed investments £
CHARITY			Total £
COST OR VALUATION			
At 1 April 2022	1	4,794,105	4,794,106
Additions	-	1,261,132	1,261,132
Disposals	-	(1,131,322)	(1,131,322)
Revaluations	-	(329,179)	(329,179)
AT 31 MARCH 2023	<u>1</u>	<u>4,594,736</u>	<u>4,594,737</u>
NET BOOK VALUE			
AT 31 MARCH 2023	<u>1</u>	<u>4,594,736</u>	<u>4,594,737</u>
AT 31 MARCH 2022	<u>1</u>	<u>4,794,105</u>	<u>4,794,106</u>

ROWCROFT HOUSE FOUNDATION LIMITED

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

17. STOCKS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Raw materials and consumables	2,012	795	-	-
Work in progress (goods to be sold)	1,600	1,129	-	-
Goods for resale	297,713	252,142	236,264	221,907
	301,325	254,066	236,264	221,907

18. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Amounts owed by group undertakings	-	-	476,511	276,102
Other debtors	331,673	335,520	327,752	333,288
Prepayments and accrued income	460,384	515,711	407,931	513,293
Tax recoverable	81,322	80,102	81,477	57,353
Legacies receivable	1,645,266	1,856,586	1,645,266	1,856,586
	2,518,645	2,787,919	2,938,937	3,036,622

19. FIXED TERM DEPOSITS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed term deposits	2,755,000	2,000,000	2,755,000	2,000,000

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	340,937	422,499	321,472	411,449
Amounts owed to group undertakings	-	-	-	250,000
Other taxation and social security	118,962	159,983	118,962	159,983
Other creditors	24,980	-	24,980	-
Accruals and deferred income	720,398	547,624	722,080	547,485
	1,205,277	1,130,106	1,187,494	1,368,917

ROWCROFT HOUSE FOUNDATION LIMITED

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

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	3,949,907	-	(238,425)	681,697	-	4,393,179
The Endowment Trust	758,866	138,831	(12,100)	-	3,127	888,724
The Strategic project fund	410,752	-	-	(410,752)	-	-
	<u>5,119,525</u>	<u>138,831</u>	<u>(250,525)</u>	<u>270,945</u>	<u>3,127</u>	<u>5,281,903</u>
GENERAL FUNDS						
General Funds	11,799,874	8,328,082	(8,159,219)	(270,945)	(329,179)	11,368,613
Trading subsidiary	(194,446)	187,922	(388,360)	-	-	(394,884)
	<u>11,605,428</u>	<u>8,516,004</u>	<u>(8,547,579)</u>	<u>(270,945)</u>	<u>(329,179)</u>	<u>10,973,729</u>
TOTAL UNRESTRICTED FUNDS	<u>16,724,953</u>	<u>8,654,835</u>	<u>(8,798,104)</u>	<u>-</u>	<u>(326,052)</u>	<u>16,255,632</u>

ROWCROFT HOUSE FOUNDATION LIMITED

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
RESTRICTED FUNDS						
In-patient improvements - capital	134,802	-	(26,961)	-	-	107,841
RBS improvements - capital	41,028	-	(8,206)	-	-	32,822
Garden access improvements - capital	79,816	-	(12,885)	-	-	66,931
Specified use donations - capital	102,588	20,338	(43,858)	-	-	79,068
Specified use donations - revenue	102,450	382,993	(276,666)	-	-	208,777
Education income - revenue	-	29,791	(29,791)	-	-	-
Hospice UK COVID Funding - revenue	-	88,667	(88,667)	-	-	-
Primary Care Trust Funding - revenue	-	967,538	(967,538)	-	-	-
	<u>460,684</u>	<u>1,489,327</u>	<u>(1,454,572)</u>	<u>-</u>	<u>-</u>	<u>495,439</u>
TOTAL OF FUNDS	<u>17,185,637</u>	<u>10,144,162</u>	<u>(10,252,676)</u>	<u>-</u>	<u>(326,052)</u>	<u>16,751,071</u>

ROWCROFT HOUSE FOUNDATION LIMITED

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

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	3,700,103	-	(230,484)	480,288	-	3,949,907
The Endowment Trust	502,648	10,194	(3,976)	250,000	-	758,866
The Strategic project fund	800,000	-	-	(389,248)	-	410,752
	<u>5,002,751</u>	<u>10,194</u>	<u>(234,460)</u>	<u>341,040</u>	<u>-</u>	<u>5,119,525</u>
GENERAL FUNDS						
General Funds	10,164,211	8,875,366	(7,124,968)	(341,040)	226,305	11,799,874
Trading subsidiary	-	100,139	(294,585)	-	-	(194,446)
	<u>10,164,211</u>	<u>8,975,505</u>	<u>(7,419,553)</u>	<u>(341,040)</u>	<u>226,305</u>	<u>11,605,428</u>
TOTAL UNRESTRICTED FUNDS	<u>15,166,962</u>	<u>8,985,699</u>	<u>(7,654,013)</u>	<u>-</u>	<u>226,305</u>	<u>16,724,953</u>

ROWCROFT HOUSE FOUNDATION LIMITED

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
RESTRICTED FUNDS						
In-patient improvements - capital	161,762	-	(26,960)	-	-	134,802
RBS improvements - capital	49,234	-	(8,206)	-	-	41,028
Garden access improvements - capital	92,701	-	(12,885)	-	-	79,816
NHS South Devon & Torbay Clinical Commissioning group	-	948,591	(948,591)	-	-	-
Specified use donations - capital	56,035	18,480	(36,563)	64,636	-	102,588
Specified use donations - revenue	129,618	411,269	(373,801)	(64,636)	-	102,450
Education income - revenue	-	5,123	(5,123)	-	-	-
Hospice UK COVID Funding - revenue	-	260,845	(260,845)	-	-	-
	<u>489,350</u>	<u>1,644,308</u>	<u>(1,672,974)</u>	<u>-</u>	<u>-</u>	<u>460,684</u>
TOTAL OF FUNDS	<u>15,656,312</u>	<u>10,630,007</u>	<u>(9,326,987)</u>	<u>-</u>	<u>226,305</u>	<u>17,185,637</u>

ROWCROFT HOUSE FOUNDATION LIMITED

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

21. STATEMENT OF FUNDS (CONTINUED)

Transfers from restricted to general funds represent fixed assets purchased from restricted funds.

Designated funds

The Capital fund represents the net book value of the charity's unrestricted tangible fixed assets, and is therefore not available for any other purpose.

The Ella Rowcroft Endowment Trust (The Endowment Trust) - to support the ongoing activities of Rowcroft Hospice by establishing, building and investing an endowment fund.

The Strategic project fund represents resources which have been designated for the furtherance of the strategic objective of building greater diversified income streams through utilising the Rowcroft estate and its buildings. The year end balance represents the remaining costs to complete the planning process for the estate development.

Restricted funds

Department of Health grants have been received in previous years for ongoing improvement programs, represented in the following funds:

- Inpatient improvements fund
- RBS outpatient centre improvements fund
- Garden access improvements fund

Specified use donations are received each year from supporters and from grant making bodies towards specific projects – as represented in the specified use capital and revenue funds

The education income fund represents grants and donations towards the provision of end of life care education and training

The Hospice UK COVID fund represents the final receipt and expenditure of funds provided by NHSE and distributed through Hospice UK to allow hospices to make available bed capacity and community support during the COVID 19 pandemic.

The Primary Care trust fund represents annual NHS funding through the NHS Devon Integrated Care Board (ICB).

General funds

The Trading subsidiary Fund relates to the social enterprise: Devon Farm Kitchen. The year end balance being the first two years deficits for this subsidiary. The negative balance will be a temporary position as the business grows and becomes profitable.

ROWCROFT HOUSE FOUNDATION LIMITED

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

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	286,662	4,393,179	4,679,841
Fixed asset investments	-	5,326,737	5,326,737
Current assets	208,777	7,740,993	7,949,770
Creditors due within one year	-	(1,205,277)	(1,205,277)
TOTAL	495,439	16,255,632	16,751,071

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	358,234	3,949,907	4,308,141
Fixed asset investments	-	4,794,105	4,794,105
Current assets	102,450	9,111,047	9,213,497
Creditors due within one year	-	(1,130,106)	(1,130,106)
TOTAL	460,684	16,724,953	17,185,637

ROWCROFT HOUSE FOUNDATION LIMITED

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

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

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(434,566)	1,529,325
ADJUSTMENTS FOR:		
Depreciation charges	322,497	306,516
Losses/(gains) on investments	326,052	(226,305)
Dividends, interests and rents from investments	(234,297)	(151,246)
Loss on the disposal of fixed assets	320	8,583
Increase in stocks	(47,259)	(104,073)
Decrease in debtors	269,273	495,244
Increase in creditors	75,171	231,082
NET CASH GENERATED BY OPERATING ACTIVITIES	277,191	2,089,126

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash at bank and in hand	2,374,800	4,171,512
Notice deposits (less than 3 months)	2,755,000	2,000,000
TOTAL CASH AND CASH EQUIVALENTS	5,129,800	6,171,512

25. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	4,171,512	(1,796,712)	2,374,800
Notice deposits (less than 3 months)	2,000,000	755,000	2,755,000
	6,171,512	(1,041,712)	5,129,800

ROWCROFT HOUSE FOUNDATION LIMITED

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

26. PENSION COMMITMENTS

The Group operates a defined contribution scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund held by Standard Life. The commitment for the year ended 31 March 2023 under this scheme is for contributions of £222,864 (2022: £258,565). The charity has no obligation to meet any shortfall arising from any actuarial valuations lower than those originally anticipated.

The Group also participates in the NHS Pension Agency Scheme, a defined benefit scheme on behalf of eligible employees. Pension costs are assessed in accordance with advice from Department of Health actuaries. It is not possible for the charity to separately identify assets and liabilities relating to the charity within the NHS scheme for the purpose of FRS102 disclosure.

During the year, the rates of contributions for each scheme were as follows:

Standard Life scheme- employees 1% to 15%, employer 1% to 7%

NHS scheme- employees 5% to 15%, employer 14%.

An increase in employer's contributions to the NHS scheme from 7% to 14% was introduced on 1 April 2004; a support grant received towards the additional cost is received through the NHS grant.

	2023 £	2022 £
The number of members in each scheme was:		
Defined contribution	183	176
Defined benefit	40	35
	<u>223</u>	<u>211</u>

27. OPERATING LEASE COMMITMENTS

At 31 March 2023 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	291,361	384,604	291,361	384,604
Later than 1 year and not later than 5 years	299,104	378,932	299,104	378,932
	<u>590,465</u>	<u>763,536</u>	<u>590,465</u>	<u>763,536</u>

28. LEGACIES HELD IN TRUST

The charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the Balance Sheet date, the amount receivable cannot be reliably measured, and therefore no income has been recognised in the Statement of Financial Activities for the year.

ROWCROFT HOUSE FOUNDATION LIMITED

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

29. PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding	Included in consolidation
The Ella Rowcroft Endowment Trust	CE019580	1186330	100%	Yes
Devon Farm Kitchen Limited	12353512		100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
The Ella Rowcroft Endowment Trust	138,831	(12,100)	129,858	888,724
Devon Farm Kitchen Limited	187,922	(388,360)	(200,438)	(394,884)

On 13 November 2019 The Ella Rowcroft Endowment Trust was registered as a charitable incorporated organisation (CIO) with the Charity Commission for England and Wales (registration number: 1186330). The Ella Rowcroft Endowment Trust is a separate legal entity, able to hold property in its own name.

On 9 December 2019 Devon Farm Kitchen Limited was incorporated as a limited company with Companies House (Company number: 12353512). Devon Farm Kitchen Limited is a separate legal entity, able to hold property in its own name.

ROWCROFT HOUSE FOUNDATION LIMITED

England & Wales - Charity number 282723

Accounts

Registered number: 01561601
Charity number: 282723

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

Trustees	C M Edwards S Scott-Bryant A Janzen A Tapson H Wallwork J A H Moffat I N Hale T K Howard C J Brant C A Karakusevic R E Banks (appointed 22 June 2021) H E Boyd (appointed 22 June 2021) A Dee (resigned 22 June 2021)
Company registered number	01561601
Charity registered number	282723
Registered office	Rowcroft Hospice Avenue Road Torquay Devon TQ2 5LS
Company secretary	C Moores (appointed 30 September 2022)
Chief executive officer	M Hawkins
Independent auditors	Bishop Fleming LLP Chartered Accountants 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	National Westminster Bank PLC PO Box 69 Riviera House Nicholson Road Torquay TQ2 7YL

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees present their report for Rowcroft House Foundation Limited (the "charity, "Hospice" or "Rowcroft") and its subsidiaries (collectively the "Group") for the year ended 31 March 2022.

The Trustees confirm that the Group financial statements comply with the current statutory requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP FRS 102) "Accounting and Reporting by Charities" effective 1 January 2019.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The charity (number 282723) is a company limited by guarantee (number 01561601), incorporated on 14 May 1981, and is governed by its Articles of Association (revised September 2021). It is led by a Board of Trustees, details of which are given on page 1.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Articles of Association.

Trustees are appointed to the Board of Trustees by an open recruitment process inviting applications with appropriate skills, experience and/or qualifications predominantly from the community of South Devon. The process follows the hospice's recruitment policy and procedure. The successful applicants are invited to become Members of the Association, prior to a General Meeting at which their appointment is formally ratified.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All newly appointed Trustees meet with senior team members to understand the activities of the charity as well as a tour of the hospice and discussion with the Chair of Trustees, other Trustees and the Chief Executive Officer. Relevant documentation is made available to the newly appointed Trustees including the Articles of Association, past Board of Trustees and Committee minutes and a copy of The Trustee Induction pack. All trustees are expected to undertake a programme of mandatory training covering key topics including anti-bribery; equality, diversity and human rights and safeguarding.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees are responsible for determining the strategic direction of the organisation, ratifying policy and ensuring compliance with internal governance and external regulations and legislation.

The Trustees meet with the Executive Directors every three months in a Rowcroft Management Board (RMB) meeting. The RMB considers strategic direction and reviews performance against strategic and operational indicators.

Day to day management of the hospice is delegated to the Chief Executive Officer and the Senior Management Team.

The Senior Management Team consists of the Executive Directors and Senior Heads of Department. The Senior Management Team meets weekly to discuss current issues and projects and monthly to review progress on strategic goals and monthly governance reports including patient care and quality, information governance, finance and Investments, income generation and Human Resources.

The hospice is organised into departments with each having a head of department who is responsible for the day to day running and budget management of that department.

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

OUR OBJECTIVES AND ACTIVITIES

To provide support and the best care possible to people facing a progressive, life-limiting illness in South Devon. We deliver this through:

- Providing care to patients, their families and friends, where they have complex needs which require our specialist skills
- Meeting each individual's physical, emotional, social and spiritual needs, providing support both before and after bereavement
- Providing palliative care and associated support services to the adult population within South Devon
- Promoting excellence in palliative care across the community through education, training and support of carers, professional health and social care providers and the public
- Developing a community wide understanding of end of life care issues including the appropriate influence on the services provided by others; including the NHS and other third sector organisations

The total population of the geographical area served is 280,000. Whilst the majority of our patients have a cancer diagnosis, we also support people with other progressive, life limiting conditions. In addition to care for the physical, psychological, social and spiritual needs of the patient, the needs of patient's family and friends are also addressed. The majority of referrals are received via the NHS, either directly from GPs or hospital consultants.

We seek the views of beneficiaries through surveys, user groups and engaging with the local community. We further engage with the local community to seek financial and volunteering support.

OUR VISION

- To make every day the best it can be for all patients and their families, living with life limiting illnesses in South Devon

OUR VALUES

- Honesty and integrity
- Generosity of spirit
- Team player
- Respect

OUR EMPLOYEES AND VOLUNTEERS

Once again, this past year has been affected by the impact of the COVID-19 pandemic. The Board of Trustees would like to express its warmest thanks to all staff and volunteers for their dedication and commitment to the hospice through these difficult times.

Rowcroft is committed to investing in staff development across all of the disciplines we engage. The Rowcroft Education team provide personal development courses throughout each year to ensure that staff and volunteers have access to relevant opportunities. Where appropriate Rowcroft also engage with external training suppliers.

Rowcroft recognises its social and statutory duty to employ disabled persons and individuals on Government assisted work schemes wherever possible.

During the year Rowcroft benefited from considerable volunteering hours: working on the wards; bereavement support; admin & reception; retail activities; therapies & services; transport; estates, and in fundraising.

Thank you.

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

ACHIEVEMENTS AND PERFORMANCE

In setting objectives and planning activities for the year, the Trustees gave careful consideration to ensuring that the charity's activities are to the public benefit, with due regard to Charity Commission Guidance.

1. **Delivery of excellent Hospice & Community based care:** through inpatient care, community services, outpatient services and Hospice at Home services to support patients in their own homes.

The Care Quality Commission undertook a routine inspection in October 2021 and published the results in December 2021. The CQC reported an overall rating for Rowcroft Hospice as "Good". The CQC based their overall rating on the following 5 questions:

- Is the service safe? Rating: Good
- Is the service effective? Rating: Good
- Is the service caring? Rating: Good
- Is the service responsive? Rating: Good
- Is the service well led? Rating: Good

Throughout 2021/22, Rowcroft gathered patient and family feedback to assess quality of service. The feedback is assessed and recorded using an online independent tool "I Want Great Care". Rowcroft services were scored 4.97 out of 5.00 for the year with 97.2% of people using our services saying they would recommend the Hospice to family and friends.

2. **Enabling and Supporting Others to Deliver Excellent Palliative Care:** through the provision of education to professionals and information to the public:

- The charity provided a comprehensive programme of education to a variety of health and social care community staff and carers
- This year, we offered both online and in person courses following the success of online courses during 2020/21
- Events were held on cancer and specific non cancer-related illnesses
- A care home facilitator remains in post to support and train staff working in residential and nursing homes with care home staff receiving bespoke training from Rowcroft free of charge
- We provided placements to doctors, medical students and other medical professionals enabling them to experience end of life care within a hospice environment
- We also provided placements to non-medical students enabling them to gain experience of the Hospice environment

3. **Developing our Facilities:**

- We completed our annual ward and outpatient maintenance programmes to the highest standards
- We also maintained our grounds to the highest standard to provide a suitable environment for patient and staff wellbeing
- During the year we prepared a planning application for the development of the Rowcroft estate to expand and improve our hospice care provision and to create two new income-generating commercial operations with a view to building more stable funding streams for the Hospice:
 - a new purpose-built inpatient unit increasing our capacity to 16 beds
 - a 60 bedded Nursing Home and
 - a 40 unit Assisted Living village

The planning application was submitted in June 2022

4. **Strengthen our Market Position** through effective internal and external communication and business processes which provide accurate and appropriate information:

- We have continued to improve internal communication. We continue to hold staff surveys. This year, we moved to a more agile system of pulse surveys. These surveys test how our teams are

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

- feeling at times that are most significant for those teams as opposed to a hospice-wide survey at a set time of the year
- During the year we have further improved external communication. We have continued to share patient stories through all the channels available to us and improved the content we share and the clarity of the messages.
 - We have also provided easier access to information for those needing our support and for those wishing to support our charitable purpose, in particular through improvements to our website
 - With the easing of pandemic restrictions and a return to face-to-face community activities, we have been able to return to making presentations to community groups and businesses with the aim of informing as many local organisations as possible of our services and our fundraising needs
 - Towards the end of 2021, we started to share our vision for the estate, and conducted a community consultation on the planning application that we have since submitted
5. **Funding our Vision** by ensuring all of our services and operations meet the needs of patients and supporters while increasing the number of supporters:
- We continually review our marketing programmes and renew them to extend community and health and social care professionals' understanding of our charitable status and the high quality services we provide
 - The core focus of our marketing this year was the impact of Rowcroft on the local community patients and families. We did this through patient and family stories and through special moments that Rowcroft was able to provide for patients and families
 - We continue to develop our relationship with the NHS through the recently re-structured Devon Clinical Commissioning Group (becoming the Devon Integrated Care System (ICS) in 2022) and we are currently contributing to a Devon-wide review of End of Life Care funding
 - In the last quarter of this year, we were able to re-start "in person" fundraising events with a very successful men's walk, our "Male Trail". We are also re-introducing other in-person fundraising through our community channels, including further mass participation events, and canvassing for lottery members.
 - The Retail team welcomed back thousands of regular customers into our 15 shops after two years of stop/start trading during the pandemic
 - We have also been able to fully re-start our volunteer programme as the pandemic impact has eased. Our existing volunteers, who provide essential support to the services we provide, are returning in greater numbers and we are starting to recruit volunteers once more. Providing volunteers with opportunities to gain experience and personal development while supporting Rowcroft remains a priority.

STRATEGIC REPORT

Our 5-year strategy (2019 to 2023) outlined 5 clear strategic goals:

1. To deliver outstanding personalised specialist palliative care when and where it is needed, 24/7, regardless of diagnosis or circumstance
2. To be the community specialist palliative care provider of choice for patients across South Devon
3. To extend the reach of our palliative care to one in two adults living with life-limiting illnesses across South Devon by 2023, and two in three by 2030
4. To empower and educate the community by becoming a 'community beacon' in end of life care
5. To build a sustainable future with new, diversified funding streams that will represent at least 10% of Rowcroft's funding by 2023, and to achieve reserves that equate to 50% of the Hospice's annual running costs

The strategy is regularly reviewed and updated by the Executive and Board of Trustees. The Trustees consider that we have made good progress this year on our strategic goals:

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

1. **Outstanding personalised specialist palliative care**
 - Rowcroft continued to be available to our patients and families 24/7, regardless of diagnosis or circumstance
 - Patient feedback giving Rowcroft services an excellent rating of 4.97 out of 5.00
 - A rating of Good with the CQC from an inspection in October 2021
2. **Community specialist palliative care provider of choice**
 - Rowcroft continues to be the specialist palliative care provider of choice for patients across South Devon with increased patient numbers once again this year
 - A total of 3,532 patient referrals across our services
3. **Extending our reach to 1 in 2 adults living with life-limiting illnesses in South Devon by 2023**
 - The strategic plan to introduce increased provision of Community and Hospice at Home services from 2020/21 is progressing well. Hospice at Home resources stepped up again in 2021/22 and in the 2022/23 budget approved in March 2022
 - Hospice at Home patient referrals have been increasing more slowly than planned as recruiting to the additionally funded positions has proved difficult due to the nursing staff shortages across the country. Our community services patient referrals, however, continue to grow at pace helping to drive us towards our strategic goal as planned
 - We are also maintaining financial stability, with the Hospice weathering the pandemic impact well, fundraising and retail income recovering and legacy income very strong again during 2021/22
4. **Empower and educate the community by becoming a 'community beacon' in end of life care**
 - During the year, Rowcroft continued to provide end of life education and training to the South Devon health and social care community, free of charge. We provided educational resources and training sessions as well as placements to medical and non-medical clinical staff
 - Our increasing community service referrals extended our reach within local NHS community services and within the local community in general.
5. **Building a sustainable future. New, diversified income streams accounting for 10% of Rowcroft Funding by 2023. Reserves that equate to 50% of annual running costs.**
 - Launching in March 2021 following a year's delay due to the pandemic, Devon Farm Kitchen (100% subsidiary of the charity) produces and provides tasty, nutritious meals to the over 65s in South Devon. Devon Farm Kitchen completed its first year of trading in 2021-2 having delivered 21,000 meals to customers' homes. Customer numbers and income are growing strongly and the prospects for the company are encouraging.
 - We still have a further social enterprise business plan to test, delayed due to the pandemic. The pilot is planned for 2022/23.
 - An additional governance committee has continued to operate during the year to identify further opportunities and monitor progress against the strategy.
 - Plans to develop the estate continue to progress with community consultation during the year which concluded after the end of the 2021-2 financial year. Our planning application to build a new hospice ward, refurbish our "Main House", build a 60 bedded Nursing Home and 40 unit Assisted Living village was submitted in June 2022.
 - The strategic goal of creating new diversified income streams is considered on track. Due to the impact of the pandemic, we will not achieve our goal of 10% of Rowcroft funding by 2023 generated through these income streams, but we envisage achieving this over the next three to four years.

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

- At year end, Rowcroft met its strategic objective to hold reserves equivalent to the annual running costs for the following year. Having updated the strategic objective to hold at least 100% of annual running costs as opposed to 50% in prior years. This a reflection of our experience of the impact of the pandemic on our income generation capabilities.

SERVICE REVIEW

Rowcroft Hospice provides the following services:

- 12 bedded inpatient unit
- Community specialist palliative care service
- 24/7 Hospice at Home service
- Outpatient services
- Bereavement and listening service
- Education and training for health & social care staff, volunteers & carers in palliative/end of life care

Numbers of Patients/ beneficiaries in 2021/22

- The Inpatient Unit admitted 300 patients [2020/21: 300 patients]
- The Community Team received 2,523 referrals [2020/21: 1,998 referrals]
- Rowcroft Hospice at Home had 536 patients referred, nursing people in their own home or care home in the last weeks of life [2020/21: 528 referrals]
- The Bereavement Service provided support to 173 bereaved people [2020/21: 115 people]
- Education: providing End of Life Care training to 661 participants [2020/21: 400 participants]

Performance against the improvements and priorities planned for 2021/22

1. **Patient Safety** – We will further refine the documentation and reporting in SystmOne – our electronic patient record system

Outcome measure: audit of documentation demonstrates compliance to agreed standards

Performance: we refined elements of our documentation and reporting in SystmOne to make them more complete and make it easier for staff to report succinctly. The audit of electronic records and documentation on SystmOne demonstrates compliance to agreed standards.

2. **Patient Safety** – Review our medicine management induction for new staff

Outcome measure: updated induction programme for new staff with competencies for medicines management

Performance: A new medication induction workbook has been developed and is being trialled for our Inpatient Unit. We are also asking all new registered nurses to complete a drug calculations test at interview.

3. **Patient Safety** – Evaluate the safety and effectiveness of bedside drug pods in our Inpatient Unit
Outcome measure: audit of medication incidents and patient/staff satisfaction

Performance: The audit demonstrated 100% compliance

4. **Caring** – To self-assess and sign up to the Devon-wide Commitment to Carers with agreed actions to enhance our support of unpaid carers – those family and friends who support our patients

Outcome measure: our signed commitment to the principles for supporting informal/lay carers and three-monthly reports on agreed actions

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

Performance: We signed the Commitment and provided update reports to Torbay Carers Association against our actions

5. Effectiveness – Development and delivery of training resources in learning disabilities

Outcome measure: development of a training video and completed staff training programme

Performance: The video is being shared with teams and the education department is supporting the development of adjunct materials for use of the video in discussions and other educational uses

6. Effectiveness – Pilot the training and support in appropriate end-of-life care medications to family/lay carers

Outcome measure: evaluation of the pilot with recommendations

Performance: The Hospice at Home Team audited those situations where training a family member/lay carer to administer medication would make a difference to patient care and there was insufficient evidence of need in the last weeks of life. Instead, discussions with the community team to identify family/lay carers who could be trained to fulfil this function earlier in the person's illness are underway.

7. Effectiveness – Complete and evaluate the non-malignant respiratory self-management online pilot programme

Outcome measure: report on the effectiveness and acceptability of the programme with recommendations for the future

Performance: A multidisciplinary team comprising of a physiotherapist, occupational therapist, nurse, and complementary therapist developed and delivered the training and offered relevant support to participants (patients and carers). As reported in our last Quality Account, we began the programme in September 2020 following revisions required due to the pandemic. This also took into consideration the demands and restrictions in place during this time, which included the need for virtual delivery. Since its inception, a total of 5 programmes have run with 21 participants. The interim findings, ahead of the final report, are that 50% of participants had improved hospital anxiety and depression scores and showed reduced levels of depressive feelings and 75% of participants had a stable MRC score (this measures their experience of breathlessness).

8. Responsive - Develop a community strategy for the provision of community-based hospice services engaging users and key stakeholders

Outcome measure: an approved five-year strategy to include a future service model and workforce plan that resonates with key stakeholders

Performance: Over this past year, we have met and surveyed key stakeholders, referrers to the service and carers, to help develop a community strategy for the provision of community-based hospice services. We consulted carers, GPs and others in our community to gain feedback to inform the development of the strategy. Although the five-year strategy is not yet finalised, we will share the key strategic goals and actions via other means and report on progress in next year's report.

9. Well led – Develop a future model of care for our Inpatient Unit

Outcome measure: a proposed model of inpatient care and a design brief for the future unit

Performance: Last year through a series of workshops with staff, volunteers and bereaved carers, we developed a future model of care for our Inpatient Unit

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

Where we feel we can improve and our priorities for 2022/23

1. **Patient Safety** – To develop competencies in the use of medical and moving and handling equipment

Outcome measure: implementation of competencies to all staff who use equipment to provide patient care

2. **Effectiveness** – To implement the agreed new Inpatient Unit Care Model

Outcome measure: implementation group meets regularly to action the implementation plan over the next five years, reviewed quarterly by the Quality and Patient Safety Committee

3. **Effectiveness** – To implement electronic prescribing for community teams

Outcome measure: electronic prescribing being used by our NMPs (Non-Medical Prescribers) and community doctors

4. **Effectiveness** – Implement a new e-rostering system that links to payroll

Outcome measure: e-rostering system being used effectively across clinical teams

5. **Responsive** – Develop a falls prevention strategy and management plan

Outcome measure: reflection and learning group outcomes, completion of a deep dive audit and a published falls prevention strategy and associated policy

6. **Caring** – Review Inpatient Unit and Hospice at Home patient care plans and consider the use of digital access to these for staff

Outcome measure: An agreed system and implementation of an electronic bedside care plan

7. **Caring** – Further develop our network of spiritual care advisors as part of the phase 2 roll out of our Spiritual Care Strategy

Outcome measure: comprehensive list of local advisors

8. **Well led** – Continue to promote professionalism and support continued learning

Outcome measure: 80% of clinical registered staff have accessed professional challenges educational sessions

9. **Well led** – Roll out of medical examiner scrutiny

Outcome measure: processes to enable scrutiny of all deaths by the local medical examiners will be in place, including how any learning is disseminated effectively within the organisation

10. **Well led** – Implement new national guidance on care after death (in Inpatient Unit) and Verification Of Expected Death (VOED) by registered nurses

Outcome measure: review of national guidance and plan for changes to be implemented in relation to care after death

11. **Well led** – As lead and partner, we will reinstate the locality education committee to refresh the locality education plan

Outcome measure: reviewed and updated locality education training plan in palliative and end of life care

Further details available from the Hospice Quality Account 2021/22 at:
<https://rowcrofthospice.org.uk/wp-content/uploads/RH-QA-2021-22.pdf>

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

FINANCIAL REVIEW

Total funds (note 22) increased to £17.2m [2020/21: £15.7m]

Total incoming resources can be summarised as follows:

• NHS grant funding	£2.5m	24%	[2020/21: £2.4m	23%]
• Fundraising income	£2.9m	27%	[2020/21: £2.4m	22%]
• Retail income	£1.8m	17%	[2020/21: £0.7m	7%]
• Legacy income	£3.1m	29%	[2020/21: £2.6m	25%]
• Other	£0.3m	3%	[2020/21: £0.5m	4%]
• Total underlying income	£10.6m	100%	[2020/21: £8.6m	81%]
• Gov't/NHS COVID grants	£0.0m	0%	[2020/21: £2.0m	19%]
• Total income	£10.6m	100%	[2020/21: £10.6m	100%]

The NHS awarded funding to allow the Hospice to make available bed capacity and community support from January to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation.

Income generation (Fundraising & Retail) as a percentage of total income was 44%. This was lower than we would expect in a normal year (although higher than 2020/21) due to the continued impact of the pandemic on our ability to put on fundraising events and activities, and lower footfall in our shops. [2020/21: 29%].

Legacy income as a percentage of total income was 29% from 25% [2020/21]

NHS grant income as a percentage of total income was 24% from 23% [2020/21]

Net income after costs from income generation of £1.2m [2020/21: £0.2m]

Reserves at the year-end: £14.8m [2020/21: £12.5m], representing 18 months of expenditure in reserve [2020/21: 17 months].

The Trustees consider the principal risks and uncertainties to the organisation, measured using likelihood and consequence as Low, Medium and High risk.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

Risk	Rating	Mitigation
Health and economic environment of the UK and in the South Devon region during the period following the pandemic	Medium Risk	Holding higher levels of reserves
Global inflationary pressures resulting from the conflict in Ukraine	Medium Risk	Holding higher levels of reserves
Increased competition for donations potentially reducing income below the levels required	Medium Risk	Investments in raising awareness, financial reporting and benchmarking
Reputational risk from events: patient care or operational events such as a cyber-attack or a health and safety issue	Medium Risk	Comprehensive training programmes, policies and procedures and continuous performance review
Staff attraction and retention. We have an ageing workforce, as does the NHS. There is a shortage of nursing staff across the UK	Medium Risk	We provide benefits and opportunities to remain an attractive employer to existing and potential employees. Continuous improvement in our recruitment marketing processes and materials
Financial risk; investment of reserves in a time of high volatility driven by COVID and global economic pressures	Low Risk	Investments are managed by expert advisors and reviewed regularly. Investment brief is to invest for long term returns

RESERVES POLICY

Reserves are required in order that our charity is protected against future events known and unknown and is able to maximise future opportunities and weather future challenges.

In order for the Hospice to meet its objectives of providing care for patients suffering from life-limiting illnesses, the Trustees have considered the charity's resources and commitments. The Hospice has a long-term commitment to people throughout South Devon and it requires long-term plans.

Much of the Hospice's income comes from voluntary giving and is therefore volatile and cannot be guaranteed. Much of the Hospice's expenditure, however, is fixed, due to the nature of the charity's work, its commitment to delivering services and hence a major proportion of costs being in staffing.

Against these considerations, the Trustees are conscious of the need to apply charitable funds in a timely fashion and to avoid building up an excessive level of reserves. By law, income received must be spent within a reasonable period of time unless there is good reason not to do so.

Having regard to these factors, Trustees believe that an appropriate balance is to hold a level of available reserves which would allow the Charity to meet its financial obligations as well as to facilitate initiatives which further its charitable aims.

The Policy should be regularly monitored and its effectiveness reviewed in the light of the changing funding and financial climate and other risks. A formal review should be conducted by the RMB once a year at the time of approving the next year Budget.

The benefit of a Reserves Policy is:

- To assist in strategic planning, for example considering how new projects or activities will be funded.
- To inform the budget process, for example, is it a balanced budget or do reserves need to be drawn down or built up?

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

- To inform the budget and risk management process by identifying any uncertainty in future income streams.
- To demonstrate to beneficiaries, donors, funders and the wider public that we are acting to protect the charity from future challenges and changes in economic circumstances.

Guiding principles to justify the level of reserves and their use:

- To protect and sustain the charity's activities should income or expenditure become seriously out of line with expectations.
- To have a level of funds available to support charitable one-off initiatives which fall outside the annual plan.
- To have a sufficient level of funds available to support new long-term charitable initiatives in their launch phase and before fundraising support can be fully realised.

Level of Reserves to meet Policy Objectives:

- 12 months of total costs in the budget for the following year **[FY22/23 £9.5m]**
- A discretionary "Opportunity Fund" of **£0.25m** will be allocated from reserves each year to support initiatives proposed by the Executive and approved by the Trustees
- **Total minimum reserves of £9.75m for the year to 31st March 2023**

Should reserves, once established, fall below this level for whatever reason, immediate steps will be taken to reinstate them over a reasonable period.

The RMB also recognises that keeping reserves at this level would, in the unlikely event of the charity having to cease operations, be sufficient to pay for winding up liabilities.

The Trustees consider that while the long-term policy objective is to hold 12 months of total costs in reserve it is prudent in the current economic and global political environment to hold 12 to 18 months of total costs in reserve.

Rowcroft considers Balance Sheet Cash + Investments + Freehold Land / Property fixed assets to be the available reserves of the charity.

INVESTMENT POLICY

The Trustees intend that the real value of their assets and funds be maintained and enhanced over the medium to long term (5 years) by investment in a portfolio comprising equities, fixed income stocks and cash. The aim is to achieve the best financial return within an acceptable level of risk.

Rowcroft adopts a total return approach to investment, generating the investment return from income and capital gains or losses.

For the purposes of the charity, the Trustees may wish to withdraw income from time to time to meet expenditure. This requirement will be discussed with the investment management company as necessary. Withdrawals may be met from income or capital.

Attitude to risk

Rowcroft relies on the investment return to support operating costs and underwrite underperformance of fundraising in any one year. The key risk to the long-term sustainability of Rowcroft is securing sufficient income from investments, fundraising events, legacies, individual and corporate donors. The assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value, as long as Rowcroft can meet its short-term cash requirements through either income or liquid capital assets.

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Liquidity Requirements

The Trustees wish to keep at least 20% of the assets in investments that can be realised within three months. To allow for volatility of capital values, the Trustees wish to maintain at least £100k in cash or lower risk liquid investments to support cash flow needs.

A minimum of 5% of the total assets should be kept in cash or near cash investments at all times.

Time Horizon

Rowcroft is expected to exist in perpetuity; investments should be managed to meet the investment objective and ensure that the Hospice remains a viable operation in the long term. The Trustees therefore adopt a long-term investment time horizon.

Investment Brief

To meet these objectives, the Trustees contracted Quilter Cheviot as their agents during the year to manage a diversified portfolio of suitable investments on a discretionary basis. Investments will be managed in accordance with our Responsible and Ethical Investment Policy (ef: 367). In the future, the Trustees may wish to limit the charity's investments in specific companies, sectors or countries and will inform the investment agents of any such restrictions as they are determined.

The proportion of the portfolio invested in equities, fixed income stocks and cash shall be reviewed by the Trustees with the agents from time to time to agree a suitable mix of investments for the coming period. It is anticipated that such a review will take place twice a year.

During the year, the Trustees instructed Quilter Cheviot with a moderate risk mandate. The mandate risk is reviewed annually at the June meeting of the Rowcroft Finance and Investment Committee.

Review/Reporting

The Trustees will regularly consider whether there is a need to revise this Policy Statement and keep under review the arrangements under which the agent acts.

The Trustees require valuations on a quarterly basis and a year-end report containing detailed information relating to income and gains for use by the charity's auditors. The Trustees expect the investment manager to attend a meeting of the Finance and Investment Committee twice a year to report in person, and regularly appraise the Finance and Commercial Director during the year.

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Future plans and future funding have been considered during the Going Concern review, in light of the impact of COVID 19 on the organisation and the economic environment and the Trustees consider that there are sufficient reserves and reasonable and practical plans to ensure the Going Concern basis.

INFORMATION ON FUNDRAISING PRACTICES

Fundraising Activities

The Trustees monitor Fundraising practices on an ongoing basis through a Non-Clinical Committee; meeting quarterly and at Board of Trustee meetings.

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

We believe in the highest possible standards for our fundraising, considering supporter preferences in all of our activity. We consistently ensure that all of our activities are compliant with regulatory standards and in line with the intent of those standards.

Rowcroft adopts the Fundraising Regulator standards and is committed to the Code of Fundraising practice.

During the year, Rowcroft reviewed our approach to commercial partnerships and introduced new Commercial Participator agreements that have been rolled out to all third parties working with Rowcroft.

During the year Rowcroft received no formal complaints arising from our fundraising.

Personal Data

Rowcroft does not sell 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.

We encourage all supporters or beneficiaries to contact us with any comment or complaint, in the first instance to the Rowcroft team member responsible for the area of concern and then through our comments and complaints procedures, as published on our website.

Protecting vulnerable people and others

Rowcroft has robust practices that ensure that we do not undertake any intrusive fundraising activity.

We do not fundraise door to door. We may from time to time undertake a telephone campaign or mailing. All campaigns are undertaken in accordance with Telephone Preference Service 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 Rowcroft based upon their personal preferences shared with us or where relevant under legitimate interest.

PLANS FOR FUTURE PERIODS

Rowcroft is renowned for the quality of care and the extensive reach the Hospice has throughout the South Devon community, caring for 1 in 3 adults living with life limiting illnesses. It is imperative over the coming years that we maintain our reputation and work to improve our care and reach wherever possible. We aim to achieve this by building stable finances, developing our talented teams and embracing technology.

We continue to provide outstanding care and will continue to progress improvements in access to that care for patients with a non-cancer diagnosis.

By maintaining quality of care, raising awareness and providing our extensive education services we will work to maintain our position as the lead on specialist palliative care in the South Devon area.

Through improved fundraising, retail and lottery activities and the development of new income streams we will secure financial stability to enable us to continue extending our reach from 2022/23 by increasing our community and Hospice at Home service provision.

Rowcroft is seen as a community beacon by health and social care professionals and over the coming years, we will continue to raise awareness of our place in the community throughout the population of South Devon.

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Full copies of the Rowcroft Strategic plan available at:

<http://www.rowcrofthospice.org.uk/>

DISCLOSURE OF INFORMATION TO AUDITORS

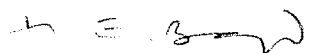
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

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



S Scott- Bryant
Chair of Trustees



H E Boyd
Trustee

Date: 23 NOVEMBER 2022

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

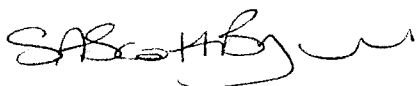
The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity 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 charity 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:



S Scott-Bryant
Chair of Trustees



H E Boyd
Trustee

Date: 23 NOVEMBER 2022

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED

OPINION

We have audited the financial statements of Rowcroft House Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED
(CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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 ROWCROFT HOUSE FOUNDATION LIMITED
(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:

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

- the nature of the sector, control environment and the Group and Parent Company's performance;
- results of our enquiries of management and the Trustees, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group and Parent Company's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- 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 Group and Parent Company 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 of controls using manual journal entries.

We identified and obtained an understanding of the laws and regulations that are of significance to the Group and to the Parent Company by discussions with Trustees and management and by updating our understanding of the sector in which the Group and the Parent Company operate in. Laws and regulations that are of direct significance to the Group, and of which non-compliance could result in material misstatement, are considered to be the UK Companies Act, Charities SORP, FRS 102, Charities Legislation and UK tax legislation.

In addition, we considered 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 to avoid a material penalty. These included data protection regulations, health and safety regulations, employment legislation and care quality commission compliance.

Our procedures to respond to risks identified included the following for the Parent Company and its subsidiaries, as was considered appropriate:

- 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;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED
(CONTINUED)**

- reading minutes of Trustee meetings; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

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

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.

Bishop Fleming LLP

Mark Munro FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: *9 December 2022*

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

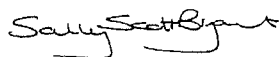
	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	695,717	3,832,050	4,527,767	5,896,129
Charitable activities	5	948,591	1,503,414	2,452,005	2,408,031
Other trading activities	6	-	3,399,679	3,399,679	1,825,383
Investments	7	-	151,246	151,246	137,738
Other income	8	-	99,310	99,310	329,673
Total income		1,644,308	8,985,699	10,630,007	10,596,954
Expenditure on:					
Raising funds	9,10	-	3,394,550	3,394,550	2,898,781
Charitable activities	12	1,672,974	4,259,463	5,932,437	5,896,157
Other expenditure	11	-	-	-	649,256
Total expenditure		1,672,974	7,654,013	9,326,987	9,444,194
Net (expenditure)/income before net gains on investments		(28,666)	1,331,686	1,303,020	1,152,760
Net gains on investments		-	226,305	226,305	893,175
Net movement in funds		(28,666)	1,557,991	1,529,325	2,045,935
Reconciliation of funds:					
Total funds brought forward		489,350	15,166,962	15,656,312	13,610,377
Net movement in funds		(28,666)	1,557,991	1,529,325	2,045,935
Total funds carried forward		460,684	16,724,953	17,185,637	15,656,312

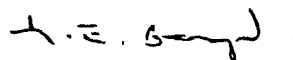
ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01561601

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	4,308,141	4,059,835
Investments	17	4,794,105	4,516,510
		<u>9,102,246</u>	<u>8,576,345</u>
Current assets			
Stocks	18	254,066	149,993
Debtors	19	2,787,919	3,283,163
Fixed term deposits	20	2,000,000	2,500,000
Cash at bank and in hand		4,171,512	2,045,835
		<u>9,213,497</u>	<u>7,978,991</u>
Creditors: amounts falling due within one year	21	(1,130,106)	(899,024)
Net current assets		<u>8,083,391</u>	<u>7,079,967</u>
Total assets less current liabilities		<u>17,185,637</u>	<u>15,656,312</u>
Total net assets		<u>17,185,637</u>	<u>15,656,312</u>
Charity funds			
Restricted funds	22	460,684	489,350
Unrestricted funds	22	16,724,953	15,166,962
Total funds		<u>17,185,637</u>	<u>15,656,312</u>

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





S Scott-Bryant
Chair of Trustees

H E Boyd
Trustee

Date: 23 November 2022

The notes on pages 25 to 47 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01561601

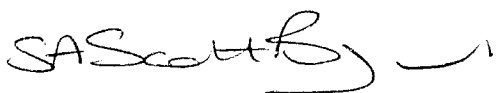
CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	4,308,141	4,059,835
Investments	17	4,794,106	4,516,511
		<u>9,102,247</u>	<u>8,576,346</u>
Current assets			
Stocks	18	221,907	149,993
Debtors	19	3,036,622	3,283,163
Investments	20	2,000,000	2,500,000
Cash at bank and in hand		3,629,358	1,793,187
		<u>8,887,887</u>	<u>7,726,343</u>
Creditors: amounts falling due within one year	21	(1,368,917)	(1,149,025)
Net current assets		<u>7,518,970</u>	<u>6,577,318</u>
Total assets less current liabilities		<u>16,621,217</u>	<u>15,153,664</u>
Total net assets		<u>16,621,217</u>	<u>15,153,664</u>
Charity funds			
Restricted funds	22	460,684	489,350
Unrestricted funds	22	16,160,533	14,664,314
Total funds		<u>16,621,217</u>	<u>15,153,664</u>

The charity's net movement in funds for the year was £1,467,553 (2021 - £1,793,287).

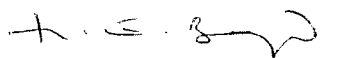
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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



S Scott-Bryant
Chair of Trustees

Date: 23 NOVEMBER 2022



H E Boyd
Trustee

The notes on pages 25 to 47 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

	2022 £	2021 £
Cash flows from operating activities		
Net cash generated by operating activities	2,089,126	1,044,354
Cash flows from investing activities		
Dividends, interests and rents from investments	151,246	137,738
Proceeds from the sale of tangible fixed assets	-	30,413
Purchase of tangible fixed assets	(563,405)	(3,481,947)
Proceeds from sale of investments	949,915	4,346,325
Purchase of investments	(501,205)	(1,192,157)
Net cash provided by/(used in) investing activities	36,551	(159,628)
Change in cash and cash equivalents in the year	2,125,677	884,726
Cash and cash equivalents at the beginning of the year	2,045,835	1,161,109
Cash and cash equivalents at the end of the year	4,171,512	2,045,835

The notes on pages 25 to 47 form part of these financial statements

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The company number is 01561601 and charity number is 282723. The registered office is Rowcroft Hospice, Avenue Road, Torquay, Devon, TQ2 5LS.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

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

2.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity and its subsidiaries to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity and its subsidiaries to continue as a going concern have been identified by the Trustees.

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Donated services or facilities are recognised when the Group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

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

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

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

Income raised through the operation of shops under the management of the charity and by the Friends of Rowcroft is taken into account at the time of the receipt by that organisation, and all costs attributable to these activities are included as payments in these financial statements.

Lottery income is accounted for based on the date of the lottery for which the ticket has been purchased.

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.

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

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

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.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

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

2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line

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

2. ACCOUNTING POLICIES (continued)

2.8 INVESTMENTS

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

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

2.9 STOCKS AND WORK IN PROGRESS

Stocks and work in progress 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.

2.10 DEBTORS

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

2.11 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.

2.12 LIABILITIES AND PROVISIONS

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

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

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

2.13 FINANCIAL INSTRUMENTS

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

2.14 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.

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.15 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.

Staff who are eligible participate in the NHS Pension Scheme. The Scheme is an unfunded, multi employer defined benefit scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

2.16 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.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

The Trustees have made judgements and estimations in the process of applying the entity's accounting policies which could result in uncertainty of the carrying amounts of assets and liabilities. Whilst there is a level of assumption in these judgements, the Trustees feel these are unlikely to have a significant effect on, or cause material error to the amounts recognised in the financial statements.

The Trustees have agreed the valuation of the listed investment portfolio as advised by the investment manager.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Costs incurred in connection with the proposed facilities development (as detailed in the Trustees' report) have been capitalised in the financial statements. This is on the basis that the Trustees consider it more likely than not that a planning application will be successful. The assessment is based on advice and information provided to the Trustees.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	434,873	474,989	909,862	948,509
Legacies	-	3,121,270	3,121,270	2,634,290
Grants	260,844	235,791	496,635	1,655,907
Government grants	-	-	-	657,423
TOTAL 2022	695,717	3,832,050	4,527,767	5,896,129
TOTAL 2021	2,446,176	3,449,953	5,896,129	

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
In-patient unit	-	1,503,414	1,503,414	1,482,913
Community team	370,258	-	370,258	365,507
Hospice at home	472,438	-	472,438	466,375
Pharmacy	105,895	-	105,895	93,236
TOTAL 2022	948,591	1,503,414	2,452,005	2,408,031
TOTAL 2021	831,882	1,576,149	2,408,031	

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lottery	595,082	595,082	593,210
Fundraising events	867,532	867,532	679,836
Fundraising trading (shops)	1,836,926	1,836,926	552,337
TOTAL 2022	3,299,540	3,299,540	1,825,383
TOTAL 2021	1,825,383	1,825,383	

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Sales - Devon Farm Kitchen	100,139	100,139	-

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from local listed investments	148,648	148,648	135,819
Bank interest	2,598	2,598	1,919
TOTAL 2022	151,246	151,246	137,738
TOTAL 2021	137,738	137,738	

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	97,593	97,593	329,673
Gain on disposal of assets	1,717	1,717	-
TOTAL 2022	<u>99,310</u>	<u>99,310</u>	<u>329,673</u>
TOTAL 2021	<u>329,673</u>	<u>329,673</u>	

9. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	24,664	24,664	21,244
TOTAL 2021	<u>21,244</u>	<u>21,244</u>	

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

10. EXPENDITURE ON RAISING FUNDS

Fundraising expenses

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Shop costs	288,252	288,252	305,370
Lottery costs	180,055	180,055	184,905
Event costs	768,388	768,388	712,060
Shops - wages and salaries	1,838,606	1,838,606	1,675,202
TOTAL 2022	3,075,301	3,075,301	2,877,537
TOTAL 2021	2,877,537	2,877,537	

TRADING SUBSIDIARY EXPENSES - DEVON FARM KITCHEN

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Cost of sales	56,689	56,689	-
Administration expenses	116,071	116,071	-
Administration staff costs	121,825	121,825	-
	294,585	294,585	-

11. OTHER EXPENDITURE

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Disposal and impairment of assets	-	-	649,256
TOTAL 2021	649,256	649,256	

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

12. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
In-patient unit	1,622,255	1,393,058	3,015,313	3,026,889
Community team	1,321,565	256,658	1,578,223	1,499,292
Hospice at home	773,677	151,365	925,042	879,666
Education	114,306	92,092	206,398	232,844
Restricted depreciation	-	82,620	82,620	83,650
Unrestricted depreciation	-	91,202	91,202	145,322
Governance costs	33,639	-	33,639	28,494
TOTAL 2022	3,865,442	2,066,995	5,932,437	5,896,157
TOTAL 2021	3,772,676	2,123,481	5,896,157	

In 2022, of the total expenditure on charitable activities, £4,259,463 was to unrestricted funds and £1,672,974 was to restricted funds.

In 2021, of the total expenditure on charitable activities, £2,567,187 was to unrestricted funds and £3,328,970 was to restricted funds.

13. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the company's Auditor for the audit of the group's annual accounts	20,350	14,650
Fees payable to the charity's Auditor in respect of:		
All non-audit services not included above	6,350	2,250

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

14. STAFF COSTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	5,515,322	4,900,022	5,408,015	4,900,022
Social security costs	448,801	450,187	439,823	450,187
Contribution to defined contribution pension schemes	431,107	419,916	424,055	419,916
	6,395,230	5,770,125	6,271,893	5,770,125

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
	243	250	238	250

The average headcount expressed as full-time equivalents was:

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Medical, nursing and professional	75	80	75	80
Domestic and maintenance	15	16	15	16
Administration and fundraising	42	37	38	37
Charity shops	38	34	38	34
	170	167	166	167

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

Remuneration and benefits for key management personnel (including employers national insurance and pension contributions) totaled £276,107 (2021: £265,573).

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

15. TRUSTEES' REMUNERATION AND EXPENSES

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

During the year ended 31 March 2022, expenses totaling £NIL were reimbursed or paid directly to 0 (2021: 1) Trustees (2021 - £216).

16. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION					
At 1 April 2021	7,722,062	798,409	147,102	1,680,594	10,348,167
Additions	457,942	51,346	2,608	51,509	563,405
Disposals	(10,513)	(29,066)	-	(33,708)	(73,287)
At 31 March 2022	8,169,491	820,689	149,710	1,698,395	10,838,285
DEPRECIATION					
At 1 April 2021	4,249,894	562,626	77,949	1,397,863	6,288,332
Charge for the year	71,396	98,768	15,416	120,936	306,516
On disposals	(3,736)	(27,263)	-	(33,705)	(64,704)
At 31 March 2022	4,317,554	634,131	93,365	1,485,094	6,530,144
NET BOOK VALUE					
At 31 March 2022	3,851,937	186,558	56,345	213,301	4,308,141
At 31 March 2021	3,472,168	235,783	69,153	282,731	4,059,835

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

17. FIXED ASSET INVESTMENTS

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2021	1	4,516,510	4,516,511
Additions	-	501,205	501,205
Disposals	-	(449,915)	(449,915)
Revaluations	-	226,305	226,305
AT 31 MARCH 2022	1	4,794,105	4,794,106
NET BOOK VALUE			
AT 31 MARCH 2022	1	4,794,105	4,794,106
AT 31 MARCH 2021	1	4,516,510	4,516,511

18. STOCKS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Raw materials and consumables	795	-	-	-
Work in progress (goods to be sold)	1,129	-	-	-
Goods for resale	252,142	149,993	221,907	149,993
	254,066	149,993	221,907	149,993

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

19. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Amounts owed by group undertakings	-	-	276,102	-
Other debtors	335,520	342,360	333,288	342,360
Prepayments and accrued income	515,711	415,986	513,293	415,986
Tax recoverable	80,102	92,383	57,353	92,383
Legacies receivable	1,856,586	2,432,434	1,856,586	2,432,434
	2,787,919	3,283,163	3,036,622	3,283,163

20. FIXED TERM DEPOSITS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed term deposits	2,000,000	2,500,000	2,000,000	2,500,000

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	422,499	529,400	411,449	529,400
Amounts owed to group undertakings	-	-	250,000	250,001
Other taxation and social security	159,983	110,975	159,983	110,975
Accruals and deferred income	547,624	258,649	547,485	258,649
	1,130,106	899,024	1,368,917	1,149,025

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	3,700,103	-	(230,484)	480,288	-	3,949,907
The Endowment Trust	502,648	10,194	(3,976)	250,000	-	758,866
The Strategic project fund	800,000	-	-	(389,248)	-	410,752
	<u>5,002,751</u>	<u>10,194</u>	<u>(234,460)</u>	<u>341,040</u>	<u>-</u>	<u>5,119,525</u>
GENERAL FUNDS						
General Funds	10,164,211	8,875,366	(7,124,968)	(341,040)	226,305	11,799,874
Trading subsidiary	-	100,139	(294,585)	-	-	(194,446)
	<u>10,164,211</u>	<u>8,975,505</u>	<u>(7,419,553)</u>	<u>(341,040)</u>	<u>226,305</u>	<u>11,605,428</u>
TOTAL UNRESTRICTED FUNDS	<u>15,166,962</u>	<u>8,985,699</u>	<u>(7,654,013)</u>	<u>-</u>	<u>226,305</u>	<u>16,724,953</u>

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
RESTRICTED FUNDS						
In-patient improvements	161,762	-	(26,960)	-	-	134,802
RBS improvements	49,234	-	(8,206)	-	-	41,028
Garden access improvements	92,701	-	(12,885)	-	-	79,816
NHS South Devon & Torbay Clinical Commissioning group	-	948,591	(948,591)	-	-	-
Specified use donations - revenue	129,618	411,269	(373,801)	(64,636)	-	102,450
Specified use donations - capital	56,035	18,480	(36,563)	64,636	-	102,588
Education income	-	5,123	(5,123)	-	-	-
Hospice UK COVID funding	-	260,845	(260,845)	-	-	-
	<u>489,350</u>	<u>1,644,308</u>	<u>(1,672,974)</u>	<u>-</u>	<u>-</u>	<u>460,684</u>
TOTAL OF FUNDS	<u>15,656,312</u>	<u>10,630,007</u>	<u>(9,326,987)</u>	<u>-</u>	<u>226,305</u>	<u>17,185,637</u>

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	1,238,542	98,393	(971,118)	3,334,286	-	3,700,103
Strategic development fund	3,950,000	-	-	(3,950,000)	-	-
The Endowment Trust	250,000	-	-	252,648	-	502,648
The Strategic project fund	-	-	-	800,000	-	800,000
	<u>5,438,542</u>	<u>98,393</u>	<u>(971,118)</u>	<u>436,934</u>	<u>-</u>	<u>5,002,751</u>
GENERAL FUNDS						
General Funds	<u>7,631,573</u>	<u>7,220,503</u>	<u>(5,144,106)</u>	<u>(436,934)</u>	<u>893,175</u>	<u>10,164,211</u>
TOTAL UNRESTRICTED FUNDS	<u>13,070,115</u>	<u>7,318,896</u>	<u>(6,115,224)</u>	<u>-</u>	<u>893,175</u>	<u>15,166,962</u>

ROWCROFT HOUSE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
RESTRICTED FUNDS						
In-patient improvements	188,723	-	(26,961)	-	-	161,762
RBS improvements	57,440	-	(8,206)	-	-	49,234
Garden access improvements	105,586	-	(12,885)	-	-	92,701
NHS South Devon & Torbay Clinical Commissioning group	-	925,117	(925,117)	-	-	-
Specified use donations - revenue	142,050	145,114	(157,546)	-	-	129,618
Specified use donations - capital	42,365	49,268	(35,598)	-	-	56,035
Education income	4,098	310	(4,408)	-	-	-
Hospice UK COVID funding	-	1,500,826	(1,500,826)	-	-	-
Coronavirus job retention scheme	-	657,423	(657,423)	-	-	-
	<u>540,262</u>	<u>3,278,058</u>	<u>(3,328,970)</u>	<u>-</u>	<u>-</u>	<u>489,350</u>
TOTAL OF FUNDS	<u>13,610,377</u>	<u>10,596,954</u>	<u>(9,444,194)</u>	<u>-</u>	<u>893,175</u>	<u>15,656,312</u>

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

22. STATEMENT OF FUNDS (CONTINUED)

Transfers from restricted to general funds represent fixed assets purchased from restricted funds.

Designated funds

The Capital fund represents the net book value of the charity's unrestricted tangible fixed assets, and is therefore not available for any other purpose.

The Revaluation fund represents the amount by which the market value of the charity's investments exceeds their historical cost.

The Strategic development fund in 2021 represented resources which have been designated for the long term development of Rowcroft.

The Ella Rowcroft Endowment Trust (The Endowment Trust) - to support the ongoing activities of Rowcroft Hospice by establishing, building and investing an endowment fund.

The Strategic project fund represents resources which have been designated for the furtherance of the strategic objective of building greater diversified income streams through utilising the Rowcroft estate and its buildings. The year end balance represents the remaining costs to complete the planning process for the estate development.

Restricted funds

DOH Grants have been received for improving facilities in the In-Patient Unit, the Out-Patient facility, and access to the gardens for patients.

The NHS South Devon & Torbay Clinical Commissioning Group fund represents specific funding towards the cost of the Rowcroft Hospice at Home and the Community Team.

The Education fund represents specific funding towards the provision of courses.

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation.

The Coronavirus job retention scheme in 2021 was a government funded grant restricted to staff costs to cover the cost of furloughed employees during the Coronavirus pandemic.

General funds

The Trading subsidiary Fund relates to the new social enterprise: Devon Farm Kitchen. The year end balance being the first years deficit for this subsidiary. The negative balance will be a temporary position as the business grows and becomes profitable.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	358,234	3,949,907	4,308,141
Fixed asset investments	-	4,794,105	4,794,105
Current assets	102,450	9,111,047	9,213,497
Creditors due within one year	-	(1,130,106)	(1,130,106)
TOTAL	460,684	16,724,953	17,185,637

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	359,733	3,700,102	4,059,835
Fixed asset investments	-	4,516,510	4,516,510
Current assets	129,617	7,849,374	7,978,991
Creditors due within one year	-	(899,024)	(899,024)
TOTAL	489,350	15,166,962	15,656,312

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	1,529,325	2,045,935
ADJUSTMENTS FOR:		
Depreciation charges	306,516	375,096
Losses/(gains) on investments	(226,305)	(893,175)
Dividends, interests and rents from investments	(151,246)	(137,738)
Loss on the disposal and impairment of fixed assets	8,583	649,256
Increase in stocks	(104,073)	(5,600)
Decrease/(increase) in debtors	495,244	(1,067,323)
Increase in creditors	231,082	77,903
NET CASH GENERATED BY OPERATING ACTIVITIES	2,089,126	1,044,354

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash in hand	4,171,512	2,045,835
TOTAL CASH AND CASH EQUIVALENTS	4,171,512	2,045,835

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	2,045,835	2,125,677	4,171,512
Liquid investments	2,500,000	(500,000)	2,000,000
	4,545,835	1,625,677	6,171,512

27. PENSION COMMITMENTS

The Group operates a defined contribution scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund held by Standard Life. The commitment for the year ended 31 March 2022 under this scheme is for contributions of £258,565 (2021: £278,732). The charity has no obligation to meet any shortfall arising from any actuarial valuations

ROWCROFT HOUSE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

27. PENSION COMMITMENTS (CONTINUED)

lower than those originally anticipated.

The Group also participates in the NHS Pension Agency Scheme, a defined benefit scheme on behalf of eligible employees. Pension costs are assessed in accordance with advice from Department of Health actuaries. It is not possible for the charity to separately identify assets and liabilities relating to the charity within the NHS scheme for the purpose of FRS102 disclosure.

During the year, the rates of contributions for each scheme were as follows:

Standard Life scheme- employees 1% to 15%, employer 1% to 7%

NHS scheme- employees 5% to 15%, employer 14%.

An increase in employer's contributions to the NHS scheme from 7% to 14% was introduced on 1 April 2004; a support grant received towards the additional cost is received through the NHS grant.

	2022	2021
	£	£
The number of members in each scheme was:		
Defined contribution	176	163
Defined benefit	35	38
	<u>211</u>	<u>201</u>

28. OPERATING LEASE COMMITMENTS

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

	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	384,604	471,904	384,604	471,904
Later than 1 year and not later than 5 years	378,932	554,483	378,932	554,483
Later than 5 years	-	26,466	-	26,466
	<u>763,536</u>	<u>1,052,853</u>	<u>763,536</u>	<u>1,052,853</u>

29. LEGACIES HELD IN TRUST

The charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the Balance Sheet date, the amount receivable cannot be reliably measured, and therefore no income has been recognised in the Statement of Financial Activities for the year.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

30. PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding	Included in consolidation
The Ella Rowcroft Endowment Trust	CE019580	1186330	100%	Yes
Devon Farm Kitchen Limited	12353512		100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
The Ella Rowcroft Endowment Trust	260,194	(3,976)	256,218	758,866
Devon Farm Kitchen Limited	100,139	(294,585)	(194,446)	(194,445)

On 13 November 2019 The Ella Rowcroft Endowment Trust was registered as a charitable incorporated organisation (CIO) with the Charity Commission for England and Wales (registration number: 1186330). The Ella Rowcroft Endowment Trust is a separate legal entity, able to hold property in its own name.

On 9 December 2019 Devon Farm Kitchen Limited was incorporated as a limited company with Companies House (Company number: 12353512). Devon Farm Kitchen Limited is a separate legal entity, able to hold property in its own name.

ROWCROFT HOUSE FOUNDATION LIMITED

England & Wales - Charity number 282723

Accounts

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021

Trustees	R Ward (resigned 28 November 2020) A Dee (resigned 22 June 2021) C Edwards S Scott-Bryant A Janzen A Tapson H Wallwork J A H Moffat (appointed 26 May 2020) I N Hale (appointed 3 June 2020) T K Howard (appointed 15 June 2020) C J Brant (appointed 4 January 2021) C A Karakusevic (appointed 4 January 2021) R Banks (appointed 22 June 2021) H Boyd (appointed 22 June 2021)
Company registered number	01561601
Charity registered number	282723
Registered office	Rowcroft Hospice Avenue Road Torquay Devon TQ2 5LS
Chief executive officer	M Hawkins
Independent auditors	Bishop Fleming LLP Chartered Accountants 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	National Westminster Bank PLC PO Box 69 Riviera House Nicholson Road Torquay TQ2 7YL

**ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees present their report for Rowcroft House Foundation Limited (the “charity or “Hospice”) and its subsidiaries (collectively the “Group”) for the year ended 31 March 2021. For the year in question there has been little significant activity in the subsidiaries and hence the bulk of the report relates to the activities of the charity. The Trustees confirm that the Group financial statements comply with the current statutory requirements of the charity’s governing document and the provisions of the Statement of Recommended Practice (SORP FRS 102) “Accounting and Reporting by Charities” effective 1 January 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The charity (number 282723) is a company limited by guarantee (number 01561601), incorporated on 14 May 1981 and is governed by its Articles of Association (revised July 2018). It is led by a Board of Trustees, details of which are given on page 1.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

Trustees are appointed to the Board of Trustees by an open recruitment process inviting applications with appropriate skills, experience and/or qualifications predominantly from the community of South Devon. The process follows the hospice’s recruitment policy and procedure. The successful applicants are invited to become Members of the Association, prior to a General Meeting at which their appointment is formally ratified.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All newly appointed Trustees would normally undergo a half day induction at the hospice which includes a presentation relating to the objects and activities of the charity, a tour of the hospice and discussion with the Chair of Trustees, other Trustees and the Senior Management Team. Relevant documentation is made available to the newly appointed Trustees including the Articles of Association, past Board of Trustees and Committee minutes and a copy of The Trustee Induction pack. This induction process has been adapted as appropriate during the COVID-19 pandemic.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees are responsible for determining the strategic direction of the organisation, ratifying policy and ensuring compliance with internal governance and external regulations and legislation.

The Trustees meet with the Executive Directors every three months in a Rowcroft Management Board (RMB) meeting. The RMB considers strategic direction, reviewing performance against strategic indicators.

Day to day management of the hospice is delegated to the Chief Executive and the Senior Management Team.

The Senior Management team consists of the Executive Directors and Heads of Department. The Senior Management team meets weekly to discuss current issues and projects and monthly to review progress on strategic goals and monthly governance reports including patient care and quality, information governance, finance and Investments, income generation and Human Resources.

The hospice is organised into departments with each having a head of department who is responsible for the day to day running and budget management of that department.

OBJECTIVES AND ACTIVITIES

To provide support and the best care possible to people facing a progressive, life-limiting illness in South Devon. We deliver this through:

- The provision of care to patients, their families and friends, where they have complex needs which require

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

- our specialist skills
- Meeting an individual's physical, emotional, social and spiritual needs, providing support both before and after bereavement
- Providing palliative care and associated support services to the adult population within South Devon
- Promote community wide excellence in palliative care through education, training and support of both carers and professional health and social care providers.
- The provision of education, both to professional health and social care workers and the general public
- The development of a community wide understanding of end of life care issues including the appropriate influence on the services provided by others

The total population of the geographical area served is 280,000. Whilst the majority of the patients have a cancer diagnosis, we also support people with other progressive, life limiting conditions. In addition to care for the physical, psychological, social and spiritual needs of the patient, the needs of patient's family and friends are also addressed. The majority of referrals are received via the NHS, either directly from their GP or hospital based consultant.

We seek the views of beneficiaries through engaging the local community it serves. We engage with our local community to seek financial and volunteering support, understand the needs of our beneficiaries, and gain feedback on the positive aspects of our services and areas that require development. They are able to inform us of positive aspects and those aspects that require development.

In addition, we proactively seek the views of our service users through ongoing patient and family surveys, and user groups.

OUR VISION

- To make every day the best it can be for all patients and their families, living with life limiting illnesses in South Devon

OUR VALUES

- Honesty and integrity
- Generosity of spirit
- Team player
- Respect

ACHIEVEMENTS AND PERFORMANCE

In setting objectives and planning activities for the year the Trustees gave careful consideration to ensuring that the charity's activities are to the public benefit, having due regard to the guidance issued by the Charity Commission.

1. **Delivery of excellent Hospice & Community based care:** through inpatient care, community services, outpatient services and Hospice at Home services to support patients in their own homes.

The Care Quality Commission undertook a routine inspection in January 2016. The following areas were assessed and the CQC reported an overall rating for Rowcroft Hospice as "Outstanding". The CQC base their overall rating having sought to answer 5 questions:

- | | |
|------------------------------|---------------------|
| • Is the service safe? | Rating: Good |
| • Is the service effective? | Rating: Outstanding |
| • Is the service caring? | Rating: Outstanding |
| • Is the service responsive? | Rating: Good |
| • Is the service well led? | Rating: Outstanding |

Throughout 2020/21 Rowcroft gathered patient and family feedback to assess quality of service. The feedback is assessed and recorded using an online independent tool "I want great care". Rowcroft

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

services were rated "Excellent" throughout the year.

2. Enabling and Supporting Others to Deliver Excellent Palliative Care: through the provision of education for professionals and information to the general public:

- Delivered a comprehensive programme of education to a variety of health and social care community staff and carers. This year, we provided the service online to ensure that we could continue providing education during the pandemic. 400 participants at our training events. Events were held on cancer and specific non cancer related illnesses
- A care home facilitator in post to support and train staff working in residential and nursing homes, with care home staff receiving bespoke training from Rowcroft free of charge. This provision was significantly affected by the impact of the pandemic.
- Placements within our medical team during the year enabling doctors, medical students and other medical professionals working in end of life care to experience care within a hospice care environment
- Placements within non-medical clinical teams providing experience to students within a hospice

3. Developing our Facilities:

- Annual ward and outpatient maintenance programme maintaining our inpatient facility to the highest standards
- Grounds maintained to provide a suitable environment for patient and staff wellbeing
- During the year we purchased the freehold of the estate to secure our ability to further develop our facilities

4. Strengthen our Market Position: through effective internal and external communication and business processes which provide accurate and appropriate information:

- We have progressed initiatives to further improve internal communication. Our aim is to incorporate our values in our behaviours and our messages. Our core values are embedded within the performance review process and our 5-year strategy encompasses our values. We continue to hold annual staff surveys including monitoring of our adherence to those values
- During the year we have progressed initiatives to improve external communication. The objective is to inform the community of how Rowcroft makes every day the best it can be for patients living with life limiting illnesses in South Devon and their families. Again this year, we have achieved this by sharing patient stories through all the channels available to us, including: our website, providing clearer access to information for those needing our support and for those wishing to support our charitable purpose; presentations to community groups and businesses; press releases; social media, and in our written communications with supporters

5. Funding our Vision: by ensuring all of our services and operations meet the needs of patients and supporters while increasing the number of supporters:

- Developing and reviewing marketing programmes to extend the community's and health and social care professionals' understanding of our charitable status and how we are able to provide high quality services.
- We focused our marketing on the the impact of Rowcroft on the local community and the beneficiaries of the charity; through patient and family stories and through special moments that Rowcroft was able to provide for patients and families.
- This year we were also affected by the pandemic and our marketing reflected that with messages to the community that we are still available to help and provide care throughout. We were also messaging about our strategy to increase provision within our hospice at Home team and despite the pandemic continued to market our growth plans throughout.
- During the year, we concentrated our efforts on building sustainable income streams within the context of the COVID-19 pandemic

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

- Further developed our relationships with the NHS and Clinical Commissioning Groups to secure existing funding arrangements and extend breadth of NHS commissioned services.
- Continued to build our supporter network within South Devon through our services, shops, our events and our fundraising activities.
- While pandemic restrictions affected our in person events we were able to create virtual events and hundreds of people took part in Rowcroft organised events: in our Sleep Walk, Ride, Male Trail, Make a Will Week, Light up a Life and Meadow of Memories
- The Retail team welcomed tens of thousands of customers into our 15 shops. Our shops were affected by national lockdowns and social distancing requirements but we opened to welcome customers in line with safety guidelines as soon as we were able.
- The community fundraising team created and successfully made virtual presentations to community groups and organisations across South Devon in the absence of in person meetings.
- The pandemic had a significant impact on our volunteer base making attracting volunteers very difficult this year. Retaining volunteers and supporting them through the pandemic was the priority. Our volunteers are returning again now; providing essential support to the operations and services provided. Providing volunteers with opportunities to gain experience and personal development while supporting Rowcroft remains a priority for Rowcroft.

STRATEGIC REPORT

Our 5 year strategy (2019 to 2023) outlined 5 clear strategic goals:

1. To deliver outstanding personalised specialist palliative care when and where it is needed, 24/7, regardless of diagnosis or circumstance
2. To be the community specialist palliative care provider of choice for patients across South Devon
3. To extend the reach of our palliative care to one in two adults living with life-limiting illnesses across South Devon by 2023, and two in three by 2030
4. To empower and educate the community by becoming a 'community beacon' in end of life care
5. To build a sustainable future with new, diversified funding streams that will represent at least 10% of Rowcroft's funding by 2023, and to achieve reserves that equate to 50% of the Hospice's annual running costs

The strategy is regularly reviewed and updated by the Executive and Board of Trustees.

The Trustees consider that we have made good progress this year on the 5 strategic goals:

1. Outstanding personalised specialist palliative care:

- 12 Inpatient beds provided throughout the year. High occupancy again this year with 300 admissions [2019/20: 313 admissions]
- Community Team referrals: 1,998 [2019/20: 1,507 referrals]
- Hospice at Home receiving: 528 referrals [2019/20: 445 referrals]
- Bereavement and listening service, providing support to patients and families: 115 referrals [2019/20: 164 referrals]
- Total patient numbers for all End of Life care services: 2,941 patient referrals [2019/20: 2,429 patients]

2. Rowcroft continues to be the specialist palliative care provider of choice for patients across South Devon.

Increasing patient numbers, our growing bereavement and listening service and our excellent feedback confirming our continued position as the lead in End of Life care in South Devon.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

3. Extending our reach to 1 in 2 adults living with life-limiting illnesses in South Devon by 2023

The Strategy requires patient number growth to go hand in hand with financial stability. The strategic plan to introduce increased provision of Community and Hospice at Home services from 2020/21 is progressing very well. Hospice at Home patient numbers in particular. Financial stability is also on track, with the Hospice making full use of the pandemic financial mitigation schemes available to us: furlough, Hospice UK COVID 19 grant funding and local government business support schemes.

4. Empower and educate the community by becoming a 'community beacon' in end of life care

During the year Rowcroft continued to provide end of life education and training to the South Devon health and social care community. We provided educational resources and training sessions throughout, with 400 attendees from across the South Devon community attending Rowcroft education events and sessions.

5. Building a sustainable future. New, diversified income streams accounting for 10% of Rowcroft Funding by 2023. Reserves that equate to 50% of annual running costs.

Devon Farm Kitchen (100% subsidiary of the charity) started operating in April 2021 as a social enterprise delivering tasty, nutritious frozen meals to the core over 65 market in South Devon. The business has had a strong start growing regular customers week on week in the first 4 months of operating.

We still have a further social enterprise business plan to test during 2021/22, delayed due to the pandemic. An additional governance committee has been operating during the year to identify further opportunities and monitor progress against the strategy.

We are engaging with the local community to identify health and social care development opportunities for the Hospice estate; having purchased the estate this year.

The strategic goal of creating new diversified income streams is considered on track to achieve 10% of Rowcroft funding by 2023.

At the end of the year Rowcroft met its objective to hold reserves equivalent to at least 50% of annual running costs for the following year.

We are on track to deliver the strategy

SERVICE REVIEW

Rowcroft Hospice provides the following services:

- 12 bedded inpatient unit
- Community specialist palliative care service
- 24/7 Hospice at Home service
- Outpatient services
- Bereavement and listening service
- Education and training for health & social care staff, volunteers & carers in palliative/end of life care

Numbers of Patients/ beneficiaries in 2020/2021

- The Inpatient Unit admitted 300 patients [2019/20: 313 patients]
- The Community Team received 1,998 referrals [2019/20: 1,507 referrals]
- Rowcroft Hospice at Home had 528 patients referred, nursing people in their own home or care home in the last weeks of life [2019/20: 445 referrals]
- The Bereavement Service provided support to 115 bereaved people [2019/20: 164 patients]
- Education: providing End of Life Care training to 400 participants due to limitations from the pandemic [2019/20: 1,134]

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Performance against the improvements and priorities planned for 2020/21

1. Patient Safety – We will seek to purchase 6 of the 13 new bed frames we require by March 2021

Outcome measure: Beds replaced

Performance: We planned to purchase six new bed frames; however, following a review of all beds we decided to replace them all. Following a successful fundraising campaign and the generosity of our amazing community we were able to purchase 14 new beds

2. Patient Safety – We will seek to install a new nurse call system this year

Outcome measure: System in place

Performance: We sourced and implemented a new nurse call system to replace our aged one

3. Patient Safety – As COVID-19 will continue to impact service provision into this financial year, we will work closely with the Infection Prevention Team at our local NHS trust to review and implement isolation plans
Outcome measure: Ongoing review of COVID requirements in place, safe responses as COVID develops

Performance: Over the pandemic we worked closely with the Infection Prevention Team at the local NHS trust to review our isolation plans and guidelines and implement patient, visitor, staff and volunteer testing. We continually reviewed national guidance and updated our clinical and visitor guidance accordingly.

4. Effectiveness – We will continue our patient record project and seek to ensure that all local healthcare SystemOne users are linked in

Outcome measure: Completion of second phase of our SystemOne implementation

Performance: This past year we have continued to work on refining our use of SystemOne (our patient electronic care record). Each member of staff has been offered one-to-one training by our 'superusers' and templates have been refined to collect important information to inform patient care. We have added a new equality and diversity template to help us collect meaningful data on patient characteristics to inform their care.

5. Effectiveness - Work with our partners at Devon Doctors Ltd to support timely access to palliative medications for people who are dying at home, when pharmacies are closed

Outcome measure: An agreement with Devon Doctors and implementation of a standard operating procedure for out-of-hours access to palliative care drugs

Performance: In 2020, in collaboration with Devon Doctors, we piloted having a small stock of medications onsite that were accessible to our Hospice at Home Team out of hours. This has only needed to be used once but knowing there is access to drugs when community pharmacies are closed has relieved the stress the team sometimes felt in managing symptoms out of hours

6. Effectiveness - We will develop a spiritual care training programme for all staff, and begin to implement this across the hospice

Outcome measure: Development and first stage implementation of a spiritual care training programme for all staff

Performance: Our Spiritual Care Specialist, as part of our spiritual care strategy, developed training competencies and online resources for all staff and volunteers to access on the virtual training platform we use.

7. Responsive - We aim to complete two new projects: domiciliary care worker training and support, and supporting people with end-stage respiratory diseases

Outcome measure: Report on the domiciliary care worker training in end-of-life care project and the development

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

of a breathlessness, fatigue, and anxiety self-management programme for people with non-malignant progressive respiratory diseases

Performance: Despite COVID-19 we completed the 'winter pressures' funded domiciliary care workers end-of-life care training programme. This was completed by 19 care workers and evaluated highly by participants, having increased their knowledge and skills in end-of-life care and feeling valued for doing so. We hope to offer this training again in the future.

8. Caring - We will seek strategies to support patients and their families to stay connected during the visiting restrictions imposed by following national infection prevention guidance during the COVID-19 pandemic

Outcome measure: Use of technology to support patients and families to stay connected

Performance: We were able to help patients to connect with families using iPads, a pair of knitted hearts (one for the patient and the matching one for their loved one), and by constantly reviewing our visitor policies.

9. Caring – We will host the 'Torbay and South Devon COVID-19 emotional wellbeing helpline' providing compassionate supportive listening to relatives and care staff affected by COVID-19

Outcome measure: Report on the use and outcomes of the new COVID-19 emotional helpline

Performance: Our Bereavement Team, Social Work Team and Spiritual Care Specialist set up and ran an emotional wellbeing helpline to provide compassionate support to any families or staff affected by the COVID-19 virus in Torbay and South Devon.

10. Caring – Introduce a Hospice at Home de-briefing session

Outcome measure: Implementation of debrief sessions for Hospice at Home nurses and report on staff satisfaction.

Performance: Due to COVID-19 we could not implement 'face-to-face' debrief sessions (the team's preference) for our Hospice at Home Team; however more recently they have started to use a restorative approach in their team meetings to reflect on what has been difficult, happy, fun or sad.

11. Well led – Having trained our managers in the principles of restorative practice, we aim to further embed the principles in all we do and evaluate the impact on staff satisfaction in working at Rowcroft

Outcome measure: A review of staff survey results, key performance indicators, sickness absence, staff turnover, disciplinaries and grievances

Performance: We did not run a staff survey in 2020 due to the pandemic. Instead we have used our restorative practices to remain connected and to support teams throughout.

All Senior Management Team members and the majority of our middle managers and team leaders have been trained in restorative practice. We have led restorative circles cross organisationally and within teams to consider the impact of COVID-19 including the impact on those who are working remotely.

Where we feel we can improve and our priorities for 2021/22

1. Patient Safety – We will further refine the documentation and reporting in SystemOne – our electronic patient record system

Outcome measure: audit of documentation demonstrates compliance to agreed standards

2. Patient Safety – Review our medicine management induction for new staff

Outcome measure: updated induction programme for new staff with competencies for medicines management

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

3. Patient Safety – Evaluate the safety and effectiveness of bedside drug pods in our Inpatient Unit

Outcome measure: audit of medication incidents and patient/staff satisfaction

4. Caring – To self-assess and sign up to the Devon-wide Commitment to Carers with agreed actions to enhance our support of unpaid carers – those family and friends who support our patients

Outcome measure: our signed commitment to the principles for supporting informal/lay carers and three-monthly reports on agreed actions

5. Effectiveness – Development and delivery of training resources in learning disabilities

Outcome measure: development of a training video and completed staff training programme

6. Effectiveness – Pilot the training and support in appropriate end-of-life care medications to family/lay carers

Outcome measure: evaluation of the pilot with recommendations

7. Effectiveness – Complete and evaluate the non-malignant respiratory self-management online pilot programme

Outcome measure: report on the effectiveness and acceptability of the programme with recommendations for the future

8. Responsive - Develop a community strategy for the provision of community-based hospice services engaging users and key stakeholders

Outcome measure: an approved five-year strategy to include a future service model and workforce plan, that resonates with key stakeholders

9. Well led – Develop a future model of care for our Inpatient Unit

Outcome measure: a proposed model of inpatient care and a design brief for the future unit

Further details available from the Hospice Quality Account 2020/21 at:

<https://rowcrofthospice.org.uk/wp-content/uploads/Rowcroft-Hospice-Quality-Account-2019-2020-1-1.pdf>

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Total funds (note 22) increasing to £15.7m [2019/20: £13.6m]

In 2020/21 incoming resources can be summarised as follows:

• NHS grant funding	£2.4m	23%	[2019/20: £2.4m	25%]
• Fundraising income	£2.4m	22%	[2019/20: £2.6m	27%]
• Retail income	£0.7m	7%	[2019/20: £2.5m	25%]
• Legacy income	£2.6m	25%	[2019/20: £1.8m	19%]
• Other	£0.5m	4%	[2019/20: £0.3m	4%]
• Total underlying income	£8.6m	81%	[2019/20: £9.6m	100%]
• Government grants	£2.0m	19%	[2019/20: £0.0m	0%]
• Total income	£10.6m	100%	[2019/20: £9.6m	100%]

Note: Retail income 2019/20 includes £0.27m of Retail & Hospitality COVID grant funding.

The NHSE awarded funding to allow the Hospice to make available bed capacity and community support from April to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

The NHSE grant funding of £1.5m combined with CJRS grant funding of £0.5m mitigated a significant downturn in Fundraising and Retail as fundraising activity and shop openings were curtailed through lockdowns and social distancing measures throughout the year.

Income generation (Fundraising & Retail) as a percentage of total income down at 29% as a direct result of the impact of pandemic measures [2019/20: 52%].

Reliance on Legacy income as a percentage of total income up at 25% from 19% [2019/20]

Reliance on NHS grant income as a percentage of total income down at 23% from 25% [2019/20]

Net income from income generation of £0.2m [2019/20: £2.0m]

Reserves at the year-end: £12.5m [2019/20: £10.4m], representing 17 months of expenditure in reserve [2019/20: 13 months].

The Trustees consider the principal risks and uncertainties to the organisation:

Measured using likelihood and consequence as Low, Medium and High risk.

- Health and economic environment of the UK and in the South Devon region during the COVID 19 pandemic and in the period following the pandemic. Medium risk.
- Increased competition for donations and voluntary support potentially reducing income below the levels required to continue to provide our services. We continually invest to raise awareness of Rowcroft, our services and our fundraising activities and we plan and review financial performance regularly throughout each year to mitigate the economic risks. Medium risk.
- Reputational risk from events: patient care or operational events such as a cyber-attack or health and safety issue. Rowcroft undertakes comprehensive training programmes for staff, maintains and updates comprehensive policies and procedures and reviews performance continually. We are also contributors and beneficiaries of the "I want Great Care" patient feedback system to learn and continue to improve care, processes and procedures. Medium risk.
- Staff retention and attraction. Rowcroft has an ageing workforce, as does the NHS. There is also a shortage of trained nursing staff within the UK health care system. Staff wellbeing and development is a strategic priority of the organisation. We provide benefits and opportunities to ensure that we remain an attractive proposition to existing and potential employees. Medium risk.
- Financial risk. Rowcroft invests reserves on a diversified and risk assessed basis to optimise return

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

on investments within a balanced risk management framework. Investments are managed by expert advisors and reviewed regularly. Low risk.

RESERVES POLICY

Reserves are required in order that our charity is protected against future events known and unknown and is able to maximise future opportunities and weather future challenges.

In order for the Hospice to meet its objectives of providing care for patients suffering from life-limiting illnesses, the Rowcroft Management Board (RMB) has considered the charity's resources and commitments. The hospice has a long-term commitment to people throughout South Devon and it requires long-term plans.

Much of the Hospice's income comes from voluntary giving and is therefore volatile and cannot be guaranteed. Much of the Hospice's expenditure, however, is fixed, due to the nature of the charity's work, its commitment to delivering services and hence a major proportion of costs relate to staffing.

Against these considerations, the RMB is conscious of the need to apply charitable funds in a timely fashion and to avoid building up an excessive level of reserves. By law, income received must be spent within a reasonable period of time unless there is good reason not to do so.

Having regard to these factors, the RMB believes that an appropriate balance is to hold a level of available reserves which would allow the Charity to meet its financial obligations as well as to facilitate initiatives which further its charitable aims.

The Policy should be regularly monitored and its effectiveness reviewed in the light of the changing funding and financial climate and other risks. A formal review should be conducted by the RMB once a year at the time of approving the next year Budget.

The benefit of a Reserves Policy is:

- To assist in strategic planning, for example considering how new projects or activities will be funded
- To inform the budget process, for example, is it a balanced budget or do reserves need to be drawn down or built up?
- To inform the budget and risk management process by identifying any uncertainty in future income streams.
- To demonstrate to beneficiaries, donors, funders and the wider public that the Trustees are acting to protect the charity from future challenges and changes in economic circumstances.

Guiding principles to justify the level of reserves and their use:

- To protect and sustain the charity's activities should income or expenditure become seriously out of line with expectations.
- To have a level of funds available to support charitable one-off initiatives which fall outside the annual plan.
- To have a sufficient level of funds available to support new long-term charitable initiatives in their launch phase and before fundraising support can be fully realised.

Level of Reserves to meet Policy Objectives:

- 12 months of total costs in the budget for the following year **[FY21/22 £9.2m]**
- A discretionary "Opportunity Fund" of **£0.25m** will be allocated from reserves each year to support initiatives proposed by the Executive and approved by the Trustees
- **Total reserves of £9.45m at all times during the year to 31st March 2022**
Should reserves, once established, fall below this level for whatever reason, immediate steps will be taken to reinstate them over a reasonable period.

The RMB also recognises that keeping reserves at this level would, in the unlikely event of the charity having to cease operations, be sufficient to pay for winding up liabilities.

Rowcroft considers Balance Sheet Cash + Investments + Freehold Land / Property fixed assets as the

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

available reserves of the charity.

Available reserves at 31 March 2021 of £12.5m (2019/20: £10.4m). The Trustees consider holding reserves above 12 months of cost during the pandemic to be reasonably prudent.

INVESTMENT POLICY

The Trustees intend that the real value of their assets and funds be maintained and enhanced over the medium to long term (5 years) by investment in a portfolio comprising equities, fixed income stocks and cash. The aim is to achieve the best financial return within an acceptable level of risk.

Rowcroft adopts a total return approach to investment, generating the investment return from income and capital gains or losses.

For the purposes of the charity, the Trustees may wish to withdraw income from time to time to meet expenditure and this requirement will be discussed with the investment management company as necessary. The withdrawals may be met from income or capital.

Attitude to risk

Rowcroft relies on the investment return to support operating costs and underwrite underperformance of income in any one year. The key risk to the long-term sustainability of Rowcroft is securing sufficient income from investments, fundraising events, diversified commercial income (including Retail), legacies, individual and corporate donors. The assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value, as long as Rowcroft is able to meet its short-term cash requirements through either income or liquid capital assets.

Liquidity Requirements

The Trustees wish to keep at least 20% of the assets in investments that can be realised within three months. To allow for volatility of capital values, the Trustees wish to maintain at least £100k in cash or lower risk liquid investments to support immediate cash flow needs.

A minimum of 5% of the total assets should be kept in cash or near cash investments at all times.

Time Horizon

Rowcroft is expected to exist in perpetuity; investments should be managed to meet the investment objective and ensure sustainability. The Trustees therefore adopt a long-term investment time horizon.

Investment Brief

In order to meet these objectives, the Trustees continued to engage Quilter Cheviot as their agents during the year to manage a diversified portfolio of suitable investments on a discretionary basis. The specific restriction relates to the non-investment with any organisation undertaking the manufacture of tobacco. In the future, the Trustees may wish to limit other investments in specific companies, sectors or countries and will inform the investment agents of any such restrictions as they are determined.

The proportion of the portfolio invested in equities, fixed income stocks and cash shall be reviewed by the Trustees with the agents from time to time to agree a suitable mix of investments for the coming period. It is anticipated that such a review will take place twice a year.

During the year the Trustees selected a Mandate reflecting a Quilter Cheviot mandate of moderate risk. The mandate risk is reviewed annually at the April meeting of the Rowcroft Finance and Investment Committee.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Review/Reporting

The Trustees will regularly consider whether there is a need to revise this Policy Statement and keep under review the arrangements under which the agent acts.

The Trustees require valuations on a quarterly basis and a year end report containing detailed information relating to income and gains for use by the charity's auditors. The Trustees expect the investment manager to attend a meeting of the Finance and Investment Committee at least once a year to report in person or via video conferencing, and regularly appraise the Finance and Commercial Director during the year.

EMPLOYEES AND VOLUNTEERS

During this past year that has been dominated by the impact of the COVID19 pandemic, the Board of Trustees would like to record its appreciation of the commitment to the hospice of all staff and volunteers.

Rowcroft is committed to investing in staff development throughout all departments. The Rowcroft Education team provide professional and personal development courses throughout each year to ensure that staff have access to relevant training and opportunities for personal development. Where appropriate Rowcroft also engage with external training suppliers to provide courses.

Rowcroft recognises its social and statutory duty to employ disabled persons and individuals on Government assisted work schemes wherever possible.

During the year Rowcroft benefited from a monthly average of over one thousand volunteer hours; working on the wards, bereavement support, administration & reception, shops & distribution centre, therapies & services, transport, estates and in fundraising.

Over 15,000 hours of volunteer time given to Rowcroft by volunteers during 2020/21.

The Trustees are delighted to be able to start welcoming back more volunteers across the Hospice's services as we open up from a lockdown once again. We wish to thank all for their support and for those who have not been able to volunteer their patience in this difficult time.

The Trustees wish to record their appreciation on behalf of Rowcroft Hospice for the truly amazing support given as always by the community of South Devon this year. Our employees and volunteers, our supporters and our Healthcare community in particular.

Thank you.

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Future plans and future funding have been considered during the Going Concern review, in light of the impact of COVID 19 on the organisation and the economic environment and the Trustees consider that there are sufficient reserves and reasonable and practical plans to ensure the Going Concern basis.

INFORMATION ON FUNDRAISING PRACTICES

ROWCROFT FUNDRAISING

Fundraising Activity

The Trustees monitor Fundraising practices on an ongoing basis through a non-clinical sub-committee;

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

meeting quarterly and at Board of Trustee meetings.

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

Rowcroft adopts the Fundraising Regulator standards and is committed to the Code of Fundraising practice.

We did not use the services of professional fundraisers or commercial participators during the year to 31 March 2021.

During the year Rowcroft received no formal complaints arising from our fundraising.

There are from time to time administrative errors. Where an error occurs, we learn from it and aim to put in place measures to improve.

Personal Data

Rowcroft 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.

We encourage all supporters or beneficiaries to contact us with any comment or complaint, in the first instance to the Rowcroft team member responsible for the area of concern and then through our comments and complaints procedures, as published on our website.

Protecting vulnerable people and others

Rowcroft has robust practices that ensure that we do not undertake any intrusive fundraising activity.

We do not fundraise door to door. We may from time to time undertake a telephone campaign or mailing. All campaigns are undertaken using Telephone Preference Service 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 Rowcroft based upon their personal preferences shared with us or where relevant under legitimate interest.

PLANS FOR FUTURE PERIODS

Rowcroft is renowned for the quality of care and the extensive reach the hospice has throughout the South Devon community, caring for 1 in 3 adults living with life limiting illnesses. It is imperative over the coming years that we maintain our reputation and work to improve our care and our reach wherever possible. We aim to achieve this with financial stability through developing our talented teams and by embracing technology.

We continue to provide outstanding care and will continue to progress improvements in access to that care for patients with a non-cancer diagnosis over the next 2 years.

By maintaining quality of care; through raising awareness and providing our extensive education services we will work to maintain our position as the lead on specialist palliative care in the South Devon area.

Through improved fundraising, retail and lottery activities and the development of new income streams we will secure financial stability to enable us to continue extending our reach from 2021/22 by increasing our community and Hospice at Home service provision.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Rowcroft is seen as a community beacon by health and social care professionals and over the coming 2 years we will raise awareness of our place in the community throughout the population of South Devon.

Full copies of the Rowcroft Strategic plan available at:

<http://www.rowcrofthospice.org.uk/>

To make a donation or find out how to help or how to access Rowcroft services please visit this site.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

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

S Scott- Bryant
Chair of Trustees
Date: 14 December 2021

A Tapson
Trustee

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

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

Company law requires the Trustees to prepare financial statements for each financial . 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 charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity 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 charity 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 on 14 December 2021 and signed on its behalf by:

S Scott-Bryant
Chair of Trustees

A Tapson
Trustee

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED

OPINION

We have audited the financial statements of Rowcroft House Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED (CONTINUED)

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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 ROWCROFT HOUSE FOUNDATION LIMITED (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:

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

- the nature of the sector, control environment and the Group and Parent Company's performance;
- results of our enquiries of management and the Trustees, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group and Parent Company's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- 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 Group and Parent Company 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 of controls using manual journal entries.

We identified and obtained an understanding of the laws and regulations that are of significance to the Group and to the Parent Company by discussions with Trustees and management and by updating our understanding of the sector in which the Group and the Parent Company operate in. Laws and regulations that are of direct significance to the Group, and of which non-compliance could result in material misstatement, are considered to be the UK Companies Act, Charities SORP, FRS 102, Charities Legislation and UK tax legislation.

In addition, we considered 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 to avoid a material penalty. These included data protection regulations, health and safety regulations, employment legislation and care quality commission compliance.

Our procedures to respond to risks identified included the following for the Parent Company and its subsidiaries, as was considered appropriate:

- 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;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

ROWCROFT HOUSE FOUNDATION LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROWCROFT HOUSE FOUNDATION LIMITED (CONTINUED)

- reading minutes of Trustee meetings; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

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

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.

Mark Munro FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

16 December 2021

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)**
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	2,446,176	3,449,953	5,896,129	3,070,138
Charitable activities	5	831,882	1,576,149	2,408,031	2,415,429
Other trading activities	6	-	1,825,383	1,825,383	3,796,055
Investments	7	-	137,738	137,738	160,759
Other income	8	-	329,673	329,673	202,404
Total income		3,278,058	7,318,896	10,596,954	9,644,785
Expenditure on:					
Raising funds	9,10	-	2,898,781	2,898,781	3,134,751
Charitable activities		3,328,970	2,567,187	5,896,157	5,655,684
Other expenditure	11	-	649,256	649,256	-
Total expenditure		3,328,970	6,115,224	9,444,194	8,790,435
Net (expenditure)/income before net gains/(losses) on investments		(50,912)	1,203,672	1,152,760	854,350
Net gains/(losses) on investments		-	893,175	893,175	(334,113)
Net movement in funds		(50,912)	2,096,847	2,045,935	520,237
Reconciliation of funds:					
Total funds brought forward		540,262	13,070,115	13,610,377	13,090,140
Net movement in funds		(50,912)	2,096,847	2,045,935	520,237
Total funds carried forward		489,350	15,166,962	15,656,312	13,610,377

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01561601

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	4,059,835	1,632,653
Investments	17	4,516,510	3,527,503
		8,576,345	5,160,156
Current assets			
Stocks	18	149,993	144,393
Debtors	19	3,283,163	2,215,840
Fixed term deposits	20	2,500,000	5,750,000
Cash at bank and in hand		2,045,835	1,161,109
		7,978,991	9,271,342
Creditors: amounts falling due within one year	21	(899,024)	(821,121)
Net current assets		7,079,967	8,450,221
Total assets less current liabilities		15,656,312	13,610,377
Total net assets		15,656,312	13,610,377
Charity funds			
Restricted funds	22	489,350	540,262
Unrestricted funds	22	15,166,962	13,070,115
Total funds		15,656,312	13,610,377

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

S Scott-Bryant
Chair of Trustees
Date: 14 December 2021

A Tapson
Trustee

The notes on pages 25 to 46 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01561601

CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	4,059,835	1,632,653
Investments	17	4,516,511	3,527,503
		8,576,346	5,160,156
Current assets			
Stocks	18	149,993	144,392
Debtors	19	3,283,163	2,215,841
Investments	20	2,500,000	5,750,000
Cash at bank and in hand		1,793,187	1,161,109
		7,726,343	9,271,342
Creditors: amounts falling due within one year	21	(1,149,025)	(1,071,121)
Net current assets		6,577,318	8,200,221
Total assets less current liabilities		15,153,664	13,360,377
Total net assets		15,153,664	13,360,377
Charity funds			
Restricted funds	22	489,350	540,262
Unrestricted funds	22	14,664,314	12,820,115
Total funds		15,153,664	13,360,377

The charity's net movement in funds for the year was £1,793,287 (2020 - £270,237).

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:

S Scott-Bryant
Chair of Trustees
Date: 14 December 2021

A Tapson
Trustee

The notes on pages 25 to 46 form part of these financial statements.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	1,044,354	1,564,873
Cash flows from investing activities		
Dividends, interests and rents from investments	137,738	160,759
Proceeds from the sale of tangible fixed assets	30,413	-
Purchase of tangible fixed assets	(3,481,947)	(421,857)
Proceeds from sale of investments	4,346,325	743,939
Purchase of investments	(1,192,157)	(6,649,224)
Net cash used in investing activities	(159,628)	(6,166,383)
Change in cash and cash equivalents in the year	884,726	(4,601,510)
Cash and cash equivalents at the beginning of the year	1,161,109	5,762,619
Cash and cash equivalents at the end of the year	2,045,835	1,161,109

The notes on pages 25 to 46 form part of these financial statements

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

1. GENERAL INFORMATION

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The company number is 01561601 and charity number is 282723. The registered office is Rowcroft Hospice, Avenue Road, Torquay, Devon. TQ2 5LS.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

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

2.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity and its subsidiaries to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity and its subsidiaries to continue as a going concern have been identified by the Trustees.

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Donated services or facilities are recognised when the Group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

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

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

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

Income raised through the operation of shops under the management of the charity and by the Friends of Rowcroft is taken into account at the time of the receipt by that organisation, and all costs attributable to these activities are included as payments in these financial statements.

Lottery income is accounted for based on the date of the lottery for which the ticket has been purchased.

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.

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

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

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.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

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

2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line

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

2. ACCOUNTING POLICIES (continued)

2.8 INVESTMENTS

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

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

2.9 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.

2.10 DEBTORS

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

2.11 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.

2.12 LIABILITIES AND PROVISIONS

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

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

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

2.13 FINANCIAL INSTRUMENTS

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

2.14 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.

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

2. ACCOUNTING POLICIES (continued)

2.15 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.

Staff who are eligible participate in the NHS Pension Scheme. The Scheme is an unfunded, multi employer defined benefit scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

2.16 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.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

The Trustees have made judgements and estimations in the process of applying the entity's accounting policies which could result in uncertainty of the carrying amounts of assets and liabilities. Whilst there is a level of assumption in these judgements, the Trustees feel these are unlikely to have a significant effect on, or cause material error to the amounts recognised in the financial statements.

The Trustees have agreed the valuation of the listed investment portfolio as advised by the investment manager.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	249,550	698,959	948,509	815,496
Legacies	-	2,634,290	2,634,290	1,836,561
Grants	1,539,203	116,704	1,655,907	418,081
Government grants	657,423	-	657,423	-
TOTAL 2021	2,446,176	3,449,953	5,896,129	3,070,138
TOTAL 2020	192,140	2,877,998	3,070,138	

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
In-patient unit	-	1,482,913	1,482,913	1,488,505
Community team	365,507	-	365,507	360,460
Hospice at home	466,375	-	466,375	459,936
Pharmacy and laundry	-	93,236	93,236	106,528
TOTAL 2021	831,882	1,576,149	2,408,031	2,415,429
TOTAL 2020	820,396	1,595,033	2,415,429	

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lottery	593,210	593,210	595,760
Fundraising events	679,836	679,836	1,013,681
Fundraising trading (shops)	552,337	552,337	2,186,614
TOTAL 2021	1,825,383	1,825,383	3,796,055
TOTAL 2020	3,796,055	3,796,055	

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from local listed investments	135,819	135,819	153,018
Bank interest	1,919	1,919	7,741
TOTAL 2021	137,738	137,738	160,759
TOTAL 2020	160,759	160,759	

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	329,673	329,673	202,404
TOTAL 2020	202,404	202,404	

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

9. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment management fees	21,244	21,244	10,053
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2020	10,053	10,053	
	<u> </u>	<u> </u>	

10. EXPENDITURE ON RAISING FUNDS

Fundraising expenses

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Shop costs	305,370	305,370	242,212
Lottery costs	184,905	184,905	227,339
Event costs	712,060	712,060	763,921
Shops - wages and salaries	1,675,202	1,675,202	1,891,226
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2021	2,877,537	2,877,537	3,124,698
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2020	3,124,698	3,124,698	
	<u> </u>	<u> </u>	

11. OTHER EXPENDITURE

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Disposal and impairment of assets	649,256	649,256	-
	<u> </u>	<u> </u>	<u> </u>

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

12. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
In-patient unit	1,655,992	1,370,897	3,026,889	2,906,322
Community team	1,245,635	253,657	1,499,292	1,481,744
Hospice at home	731,530	148,136	879,666	819,072
Education	139,519	93,325	232,844	224,056
Restricted depreciation	-	83,650	83,650	63,251
Unrestricted depreciation	-	145,322	145,322	128,596
Governance costs	-	28,494	28,494	32,643
TOTAL 2021	3,772,676	2,123,481	5,896,157	5,655,684
TOTAL 2020	3,651,353	2,004,331	5,655,684	

In 2021, of the total expenditure on charitable activities, £2,567,187 was to unrestricted funds and £3,328,970 was to restricted funds.

In 2020, of the total expenditure on charitable activities, £4,691,984 was to unrestricted funds and £963,700 was to restricted funds.

13. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the company's Auditor for the audit of the charity's annual accounts	14,650	9,350
Fees payable to the charity's Auditor in respect of:		
All non-audit services not included above	2,250	7,850

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

14. STAFF COSTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	4,900,022	5,397,498	4,900,022	5,397,498
Social security costs	450,187	440,160	450,187	440,160
Contribution to defined contribution pension schemes	419,916	416,286	419,916	416,286
	5,770,125	6,253,944	5,770,125	6,253,944

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

	Group 2021 No.	Group 2020 No.	Charity 2021 No.	Charity 2020 No.
	250	268	250	268

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	Group 2020 No.	Charity 2021 No.	Charity 2020 No.
Medical, nursing and professional	80	71	80	71
Domestic and maintenance	16	16	16	16
Administration and fundraising	37	43	37	43
Charity shops	34	48	34	48
	167	178	167	178

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

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	2
In the band £90,001 - £100,000	1	1

Remuneration and benefits received by key management personnel totaled £265,573 (2020: £265,748).

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

15. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totaling £216 were reimbursed or paid directly to 1 (2020: 2) Trustee (2020 - £238).

16. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION					
At 1 April 2020	160,092	5,116,671	131,429	1,613,164	7,021,356
Additions	3,334,286	-	15,673	131,988	3,481,947
Disposals	(19,574)	(71,004)	-	(64,558)	(155,136)
Transfers between classes	4,247,258	(4,247,258)	-	-	-
At 31 March 2021	7,722,062	798,409	147,102	1,680,594	10,348,167
DEPRECIATION					
At 1 April 2020	45,364	3,932,352	62,187	1,348,800	5,388,703
Charge for the year	59,107	177,701	15,762	122,526	375,096
On disposals	(4,335)	(34,347)	-	(73,463)	(112,145)
Transfers between classes	3,513,080	(3,513,080)	-	-	-
Impairment charge	636,678	-	-	-	636,678
At 31 March 2021	4,249,894	562,626	77,949	1,397,863	6,288,332
NET BOOK VALUE					
At 31 March 2021	3,472,168	235,783	69,153	282,731	4,059,835
At 31 March 2020	114,728	1,184,319	69,242	264,364	1,632,653

During the year the charity purchased the freehold land and buildings of the estate for a purchase price of £3m from the Pilmuir Estate Trust. Subsequent to the purchase of the freehold the Charity performed a review of owned Fixed Assets and has concluded that there was a requirement for an impairment of the carrying value for certain assets within the estate and classified within leasehold property.

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

17. FIXED ASSET INVESTMENTS

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2020	-	3,527,503	3,527,503
Additions	1	1,192,157	1,192,158
Disposals	-	(1,096,325)	(1,096,325)
Revaluations	-	893,175	893,175
AT 31 MARCH 2021	<u>1</u>	<u>4,516,510</u>	<u>4,516,511</u>
NET BOOK VALUE			
AT 31 MARCH 2021	<u>1</u>	<u>4,516,510</u>	<u>4,516,511</u>
AT 31 MARCH 2020	<u>-</u>	<u>3,527,503</u>	<u>3,527,503</u>

18. STOCKS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Goods for resale	<u>149,993</u>	<u>144,393</u>	<u>149,993</u>	<u>144,392</u>

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

19. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other debtors	342,360	232,007	342,360	232,008
Prepayments and accrued income	415,986	617,171	415,986	617,171
Tax recoverable	92,383	64,545	92,383	64,545
Legacies receivable	2,432,434	1,302,117	2,432,434	1,302,117
	3,283,163	2,215,840	3,283,163	2,215,841

20. FIXED TERM DEPOSITS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed term deposits	2,500,000	5,750,000	2,500,000	5,750,000

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	529,400	526,003	529,400	526,003
Amounts owed to group undertakings	-	-	250,001	250,000
Other taxation and social security	110,975	114,223	110,975	114,223
Accruals and deferred income	258,649	180,895	258,649	180,895
	899,024	821,121	1,149,025	1,071,121

ROWCROFT HOUSE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	1,238,542	98,393	(971,118)	3,334,286	-	3,700,103
Strategic development fund	3,950,000	-	-	(3,950,000)	-	-
The Endowment Trust	250,000	-	-	252,648	-	502,648
The Strategic project fund	-	-	-	800,000	-	800,000
	<u>5,438,542</u>	<u>98,393</u>	<u>(971,118)</u>	<u>436,934</u>	<u>-</u>	<u>5,002,751</u>
GENERAL FUNDS						
General Funds	<u>7,631,573</u>	<u>7,220,503</u>	<u>(5,144,106)</u>	<u>(436,934)</u>	<u>893,175</u>	<u>10,164,211</u>
TOTAL UNRESTRICTED FUNDS	<u>13,070,115</u>	<u>7,318,896</u>	<u>(6,115,224)</u>	<u>-</u>	<u>893,175</u>	<u>15,166,962</u>

ROWCROFT HOUSE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
RESTRICTED FUNDS						
In-patient improvements	188,723	-	(26,961)	-	-	161,762
RBS improvements	57,440	-	(8,206)	-	-	49,234
Garden access improvements	105,586	-	(12,885)	-	-	92,701
NHS South Devon & Torbay Clinical Commissioning group	-	925,117	(925,117)	-	-	-
Specified use donations - revenue	142,050	145,114	(157,546)	-	-	129,618
Specified use donations - capital	42,365	49,268	(35,598)	-	-	56,035
Education income	4,098	310	(4,408)	-	-	-
Hospice UK COVID funding	-	1,500,826	(1,500,826)	-	-	-
Coronavirus job retention scheme	-	657,423	(657,423)	-	-	-
	<u>540,262</u>	<u>3,278,058</u>	<u>(3,328,970)</u>	<u>-</u>	<u>-</u>	<u>489,350</u>
TOTAL OF FUNDS	<u>13,610,377</u>	<u>10,596,954</u>	<u>(9,444,194)</u>	<u>-</u>	<u>893,175</u>	<u>15,656,312</u>

ROWCROFT HOUSE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	1,076,186	307,805	(145,449)	-	-	1,238,542
Revaluation fund	189,965	-	-	-	(189,965)	-
Strategic development fund	3,950,000	-	-	-	-	3,950,000
The Endowment Trust	-	-	-	250,000	-	250,000
	<u>5,216,151</u>	<u>307,805</u>	<u>(145,449)</u>	<u>250,000</u>	<u>(189,965)</u>	<u>5,438,542</u>
GENERAL FUNDS						
General Funds	<u>7,382,563</u>	<u>8,324,444</u>	<u>(7,681,286)</u>	<u>(250,000)</u>	<u>(144,148)</u>	<u>7,631,573</u>
TOTAL UNRESTRICTED FUNDS	<u>12,598,714</u>	<u>8,632,249</u>	<u>(7,826,735)</u>	<u>-</u>	<u>(334,113)</u>	<u>13,070,115</u>

ROWCROFT HOUSE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
RESTRICTED FUNDS						
In-patient improvements	215,684	-	(26,961)	-	-	188,723
RBS improvements	65,646	-	(8,206)	-	-	57,440
Garden access improvements	118,471	-	(12,885)	-	-	105,586
NHS South Devon & Torbay Clinical Commissioning group	-	796,501	(796,501)	-	-	-
Specified use donations - revenue	60,871	96,378	(15,199)	-	-	142,050
Specified use donations - capital	26,656	114,054	(98,345)	-	-	42,365
Education income	4,098	5,603	(5,603)	-	-	4,098
	<u>491,426</u>	<u>1,012,536</u>	<u>(963,700)</u>	<u>-</u>	<u>-</u>	<u>540,262</u>
TOTAL OF FUNDS	<u>13,090,140</u>	<u>9,644,785</u>	<u>(8,790,435)</u>	<u>-</u>	<u>(334,113)</u>	<u>13,610,377</u>

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

22. STATEMENT OF FUNDS (CONTINUED)

Transfers from restricted to general funds represent fixed assets purchased from restricted funds.

Designated funds

The Capital fund represents the net book value of the charity's unrestricted tangible fixed assets, and is therefore not available for any other purpose.

The Revaluation fund represents the amount by which the market value of the charity's investments exceeds their historical cost.

The Strategic development fund represents resources which have been designated for the long term development of Rowcroft.

The Ella Rowcroft Endowment Trust (The Endowment Trust) - to support the ongoing activities of Rowcroft Hospice by establishing, building and investing an endowment fund.

The Strategic project fund represents resources which have been designated for the furtherance of the strategic objective of building greater diversified income streams through utilising the Rowcroft estate and its buildings

Restricted funds

DOH Grants have been received for improving facilities in the In-Patient Unit, the Out-Patient facility, and access to the gardens for patients.

The NHS South Devon & Torbay Clinical Commissioning Group fund represents specific funding towards the cost of the lymphoedema treatment, Rowcroft Hospice at Home and the Community Team.

The NHS pension support fund represents a support grant towards the additional cost of contributions to the NHS pension scheme following an increase in mandated contributions from 7% to 14% from 1 April 2004.

The Education fund represents specific funding towards the provision of courses.

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

Coronavirus job retention scheme is a government funded grant restricted to staff costs to cover the cost of furloughed employees during the Coronavirus pandemic.

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

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	359,733	3,700,102	4,059,835
Fixed asset investments	-	4,516,510	4,516,510
Current assets	129,617	7,849,374	7,978,991
Creditors due within one year	-	(899,024)	(899,024)
TOTAL	489,350	15,166,962	15,656,312

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	394,111	1,238,542	1,632,653
Fixed asset investments		3,527,503	3,527,503
Current assets	146,151	9,125,191	9,271,342
Creditors due within one year		(821,121)	(821,121)
TOTAL	540,262	13,070,115	13,610,377

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

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

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	2,045,935	520,237
ADJUSTMENTS FOR:		
Depreciation charges	375,096	291,846
Losses/(gains) on investments	(893,175)	334,113
Dividends, interests and rents from investments	(137,738)	(160,759)
Loss on the disposal and impairment of fixed assets	649,256	-
Increase in stocks	(5,600)	(40,704)
Decrease/(increase) in debtors	(1,067,323)	889,309
Increase/(decrease) in creditors	77,903	(269,169)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,044,354	1,564,873

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash in hand	2,045,835	1,161,109
TOTAL CASH AND CASH EQUIVALENTS	2,045,835	1,161,109

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,161,109	884,726	2,045,835
Liquid investments	5,750,000	(3,250,000)	2,500,000
	6,911,109	(2,365,274)	4,545,835

27. PENSION COMMITMENTS

The Group operates a defined contribution scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund held by Standard Life. The commitment for the year ended 31 March 2021 under this scheme is for contributions of £278,732 (2020: £270,633). The charity has no obligation to meet any shortfall arising from any actuarial valuations

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

27. PENSION COMMITMENTS (CONTINUED)

lower than those originally anticipated.

The Group also participates in the NHS Pension Agency Scheme, a defined benefit scheme on behalf of eligible employees. Pension costs are assessed in accordance with advice from Department of Health actuaries. It is not possible for the charity to separately identify assets and liabilities relating to the charity within the NHS scheme for the purpose of FRS102 disclosure.

During the year, the rates of contributions for each scheme were as follows:

Standard Life scheme- employees 1% to 15%, employer 1% to 7%

NHS scheme- employees 5% to 15%, employer 14%.

An increase in employer's contributions to the NHS scheme from 7% to 14% was introduced on 1 April 2004; a support grant received towards the additional cost is shown in note 4.

	2021 £	2020 £
The number of members in each scheme was:		
Defined contribution	163	176
Defined benefit	38	38
	<u>201</u>	<u>214</u>

28. OPERATING LEASE COMMITMENTS

At 31 March 2021 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Not later than 1 year	471,904	334,872	471,904	334,872
Later than 1 year and not later than 5 years	554,483	681,977	554,483	681,977
Later than 5 years	26,466	72,890	26,466	72,890
	<u>1,052,853</u>	<u>1,089,739</u>	<u>1,052,853</u>	<u>1,089,739</u>

29. LEGACIES HELD IN TRUST

The charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the Balance Sheet date, the amount receivable cannot be reliably measured, and therefore no income has been recognised in the Statement of Financial Activities for the year.

30. PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the charity:

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

30. PRINCIPAL SUBSIDIARIES (CONTINUED)

Names	Company number	Charity registration number	Holding	Included in consolidation
The Ella Rowcroft Endowment Trust	CE019580	1186330	100%	Yes
Devon Farm Kitchen Limited	12353512		100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
The Ella Rowcroft Endowment Trust	252,648	252,648	502,648
Devon Farm Kitchen Limited	-	-	1

On 13 November 2019 The Ella Rowcroft Endowment Trust was registered as a charitable incorporated organisation (CIO) with the Charity Commission for England and Wales (registration number: 1186330). The Ella Rowcroft Endowment Trust is a separate legal entity, able to hold property in its own name.

Devon Farm Kitchen Limited was dormant in the year.