

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:

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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."

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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.

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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).

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

RISK MANAGEMENT

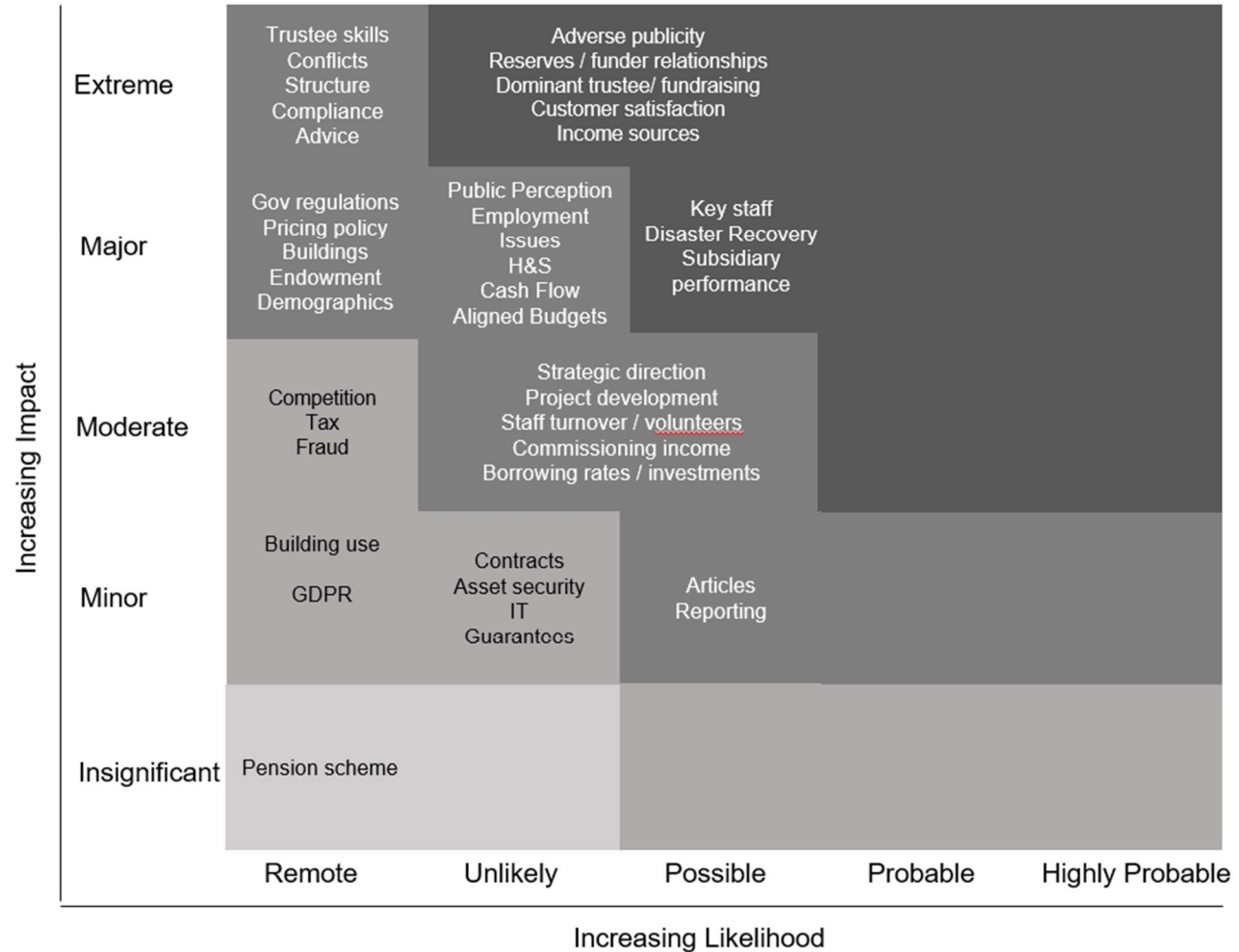
The Rowcroft risk policy design and section headers are in line with Charity Commission guidance, Charities and risk management (CC26).

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.

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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.

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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:

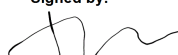
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors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

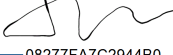
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

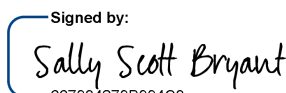
CHARITY BALANCE SHEET
AT 31 MARCH 2024

	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>6,032,653</u>
NET BOOK VALUE	
AT 31 MARCH 2024	<u>6,032,653</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.