

Report and financial statements for the year ended 31st March 2024



**Farleigh
Hospice**



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Reference and administrative information

Company number	01619905 (incorporated in England and Wales)	
Charity number	284670 (registered in England and Wales)	
Registered office and operational address	Farleigh Hospice North Court Road Chelmsford ESSEX CM1 7FH	
Trustees	<i>Trustees, are also directors under company law, who served during the year and up to the date of this report were as follows:</i>	
	Emma-Jane Carrington	Resigned 20th November 2023
	Nic Crisp	Resigned 31st May 2023
	Tracey Dickens	(5)
	Elizabeth Fox	(1)
	Sarah Glew	Appointed 17th June 2024
	Mark Leach	(2) (3)
	Katie Lockwood	(1) (6) (7) Chair COGC
	Dr Donald McGeachy	(1) (6) (7) Chair CLGC
	Georgina Offord	Appointed 20th November 2023 Resigned 28th May 2024
	Joanna Pittman	(4) (6) (7) Chair FGC
	Caroline Russell	(1)
	Richard Shail	Resigned 12th February 2024
	Nina Smaller	(1) Appointed 20th November 2023
	Keith Spiller	(1) (2) (3) (4) (5) (6) (7) Chair, Chair BGC, Chair FSL
	John Sweeney	(5) (6) (7) Chair LHL Appointed 20th November 2023
	Christopher Tilley	(4) Appointed 15th May 2023
	Julie Withnall	(2) Appointed 20th November 2023
Independent director of Local Hospice Lottery Ltd	David Newman	(5)
Independent director of Farleigh Supplies Ltd	David Blainey	(3)
Subsidiary boards and committees	(1) Clinical Governance Committee (CLGC) (2) Corporate Governance Committee (COGC) (3) Farleigh Supplies Limited Board (FSL) (4) Financial Governance Committee (FGC) (5) Local Hospice Lottery Ltd Board (LHL) (6) Board Governance Committee (BGC) (7) Remuneration Committee (RemCo)	

Key management personnel

Farleigh Hospice

Sarah Green

Chief Executive (1) (2) (3) (4) (5) (6) (7)
Appointed 12th June 2023

Alison Stevens

Chief Executive. Retired 18th June 2023

Sharon Ellingham

Finance Director, Company Secretary
(3) (4) (5) (6)

Irene Ferguson

Corporate Services Director (2)

Pauline Harvey-Jones

Commercial Director (4)

Dr Eva Lew

Medical Director (1)

Ellie Miller

Director of Care (1)

Local Hospice Lottery Ltd

Gary Hawkes

Chief Executive Officer (5) (6)

Stephen Cain

Finance and Operations Director (4) (5)

Bankers

Lloyds Bank plc

79/80 High Street
Chelmsford CM1 1DU

Solicitors

Bates Wells

10 Queen Street Place
London EC4R 1BE

Auditors

Crowe UK LLP

Statutory Auditor
Fourth Floor, St James House
St James Square
Cheltenham GL50 3PR

Trustees' annual report

The trustees present their report and the audited financial statements for the year ended 31st March 2024.

Reference and administrative information set out on pages 3 and 4 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

This Trustees' Annual Report includes a directors' report as required by company law.



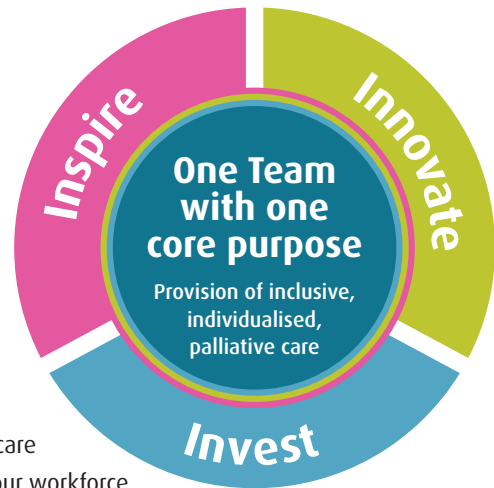
Objectives and activities

Purposes and aims

The 2023/24 financial year saw the appointment of the new Chief Executive, Sarah Green following the retirement of Alison Stevens. We continued to deliver our 2022-2026 strategy of “One Team with One Core Purpose” which was created to build upon the success of our 2018-2022 strategy.

The strategy has three main aims;

- TO INSPIRE**
 - Supporters and funders to support our work
 - People to join and excel as part of our workforce
 - Others to collaborate with us to provide the best possible care and support for our community
- TO INNOVATE**
 - In our service delivery, involving patients and families in service design
 - In generating income for sustainable hospice
 - In how we use our resources
- TO INVEST**
 - In the growth and development of our hospice
 - In technology and systems to be at the forefront of hospice care
 - Be creative in how we invest in supporting and developing our workforce



Alongside the charitable objects, Farleigh Hospice operates in line with its vision, mission and values as appear in the illustration below.



Activities

Each year a detailed operational plan is developed outlining the short-term actions that will assist in the achievement of the overall strategic objectives.

The charity's main activities, and whom it tries to help, are described below. All its charitable activities focus on those affected by life limiting illnesses or bereavement and are undertaken to further Farleigh Hospice's charitable purposes for the public benefit.

The trustees have chosen to report their activities under a number of headings. Broadly speaking these headings reflect where our users access the service. Each of these services is supported by medical, allied health professionals and ancillary staff whose costs are apportioned in the accounts to the service on the basis of time spent.

Inpatient Unit

An Inpatient Unit (IPU) operates in Chelmsford to provide short-term care for those who need help with symptom control, rehabilitation to build confidence or respite care and to provide a place for those who are dying and wish to be in the hospice. All ten beds are ensuite single rooms, two of which are 'flats' that are used for rehabilitation, younger patients or for families to stay with the patient.

Since the 1st August 2023, four beds are used for the Rapid Access Service contract and six for specialist palliative care.

In common with the wider healthcare sector, it has proved challenging to recruit to all substantive nursing vacancies, however with a targeted and consistent recruitment drive staffing levels on the Inpatient Unit have risen throughout the year. The unit is dependent on a small number of regular agency staff the safety of which is kept under regular review.

The IPU is supported by an interdisciplinary team including doctors, physiotherapists, occupational therapists, spiritual care, complementary therapy and family support.

During the year IPU has cared for 207 patients.

Community Care

Community services are delivered by three locality based multi-disciplinary community teams for North, South and Central areas in mid Essex. Each team is led by a locality care team manager and has an integrated team of professionals and care staff – sharing expertise and providing the wide range of skills that would benefit the care and support of patients and families. The ethos of the approach was 'One Team' of patient facing clinicians with standardised processes.

This structure aligns with local NHS services, which are now organised in Primary Care Networks (PCNs) and offers opportunities to connect and work more closely with primary care and community colleagues within each locality.

These multi-disciplinary teams include health care assistants, registered nurses, clinical nurse specialists, physiotherapists, occupational therapists, social workers and family support workers, working together in locality care teams. Domiciliary care agencies are also involved in supporting the teams with personal care.

Referrals for community support are received directly into the locality team and assigned to the most appropriate health care professional. At any point in time there are around 480 people being cared for in the community. Each locality team responds appropriately to incoming calls made to the hospice's advice line. This line is available 8am-8pm and staffed by a team of specially trained navigators supported by specialist nurses. During the year the hospice received 25,000 incoming calls.

The Virtual Ward continued to operate in 2023/24, this is short-term care including an overnight service allowing patients to be cared for and to die at home. It also helps avoid admission into hospital as end of life care is available 24/7.

Farleigh Hospice is contracted with Mid and South Essex Integrated Care Board (MSEICB) to provide domiciliary personal care to those who are rapidly deteriorating and in the terminal phase of their life. This service is staffed by Registered Nurses and Health Care Assistants with support from domiciliary care agencies. In the period April 2023 to March 2024, hospice staff delivered 29,000 care hours supported by domiciliary care agencies who delivered 40,000 care hours.

Community services also includes Rapid Assessment & Discharge (RADs) team who ensure end of life care patients in hospital are rapidly identified, assessed and moved to the most appropriate place for their ongoing care. Since the 1st August 2023, this team has taken on the management of a new service to place patients, who are rapidly deteriorating and entering the terminal phase of their life, in local nursing homes. This service is funded by MSEICB and allows Farleigh Hospice to assess patients against an agreed criteria and place them in a suitable nursing home. Since the start of the contract there have been 7,000 bed nights in nursing homes funded under the contact.

All community and Inpatient services are supported by a highly specialised medical team including five palliative care consultants.

Farleigh Hospice also runs a befriending service - Farleigh Helpers. A team of volunteers who are based at home makes calls to members of the community who may be lonely or isolated. The Farleigh Helpers has been in service for almost three years and has helped 124 people over this period of time.

Bereavement

Bereavement support continues to be available to adults through the CIRCLE program (age 18+), while children and young people are supported through the Yo-Yo Project initiative (age 4-18). Support is now offered flexibly with a choice of face-to-face, online and telephone sessions available.

Delivery of the service is by a core team of counselling and therapeutic professionals, with support from a large number of internally trained volunteers.

During the year the bereavement service has continued to deliver a programme of solution focused bereavement support with a grant of £100,000 from Essex County Council. The grant funded a project to provide short term solution focused bereavement support for anyone resident in the mid Essex area. The funding for this programme called Living with Grief, has now come to an end.

Referrals to the Circle service are just under 800 per annum and there were just over 200 referrals to the Yo-Yo service. Specialist training to local schools and health/social care professionals (internal and external) has also continued during the last year. This approach helps people who work with or encounter bereaved people to have a greater understanding of the needs of the bereaved and how they can support them.

Education and Information Services

The education team provide a comprehensive teaching package delivered to Farleigh's own clinical staff and to local community partners, such as the Provide community team, care home staff, paramedics, hospital clinical staff and domiciliary care agency staff. All education delivered is aimed at promoting the very best care possible for patients receiving palliative and end of life care in all settings, such as hospice, hospital, care home and people's own homes.

The aim is to ensure that all partners in care have a common understanding of how to manage the complexities of end of life care, whilst also building strong links between the hospice and teams involved in caring for people needing palliative care in other settings. This creates strong links with the hospice clinicians who can offer advice and support.

Domiciliary care agency training continues to be run several times a year, and includes training for those caring for people with learning disabilities. This training has been thoroughly evaluated over the last four years; the full evaluation of the programme was published recently in the International Journal of Palliative Nursing.

Local Hospice Lottery Ltd

2023/24 was the penultimate year of Local Hospice Lottery's Strategic Plan, 'Inspiring Commitment'. This plan defines the purpose of Local Hospice Lottery as:

"Local Hospice Lottery exists to be the leading lottery for hospices, providing additional funding and opportunities for growth by inspiring people to support their local hospice in a fair, open and affordable way".

It identifies the values of the organisation as being: Supportive, Fair, Professional and Ambitious and lists the strategic pillars as: Supporting local hospices, Inspiring Membership; Enhancing our product; Valuing our people; Developing new routes to membership and Diversifying the business.

Over the period of the plan, the key financial objective is to almost double the contribution to hospice care from a total of £22 million in the preceding five-year period to a total of £40 million for the five years to 2024/25.

The number of players in the weekly draw in 2023/24 increased from 236,466 to 261,283 against a target of 260,782. Local Hospice Lottery's dedicated team of face-to-face fundraisers continued to recruit the majority of new members, augmented by players transferred by new partner hospices from their existing lotteries.

Fundraising

Farleigh Hospice raises money in a variety of ways. The single most significant source of fundraised income is from legacy gifts with In Memory income growing and now significant at just under £0.5m.

During 2023/4 Farleigh Hospice offered a full range of fundraising opportunities including Open gardens, Christmas Tree recycling, Quizzes, Skydive plus mass participation events such as Walk for Life, Cycle for Life and Santa Fun Run. The London Marathon continues to be a superb income generating area, raising £0.2m with one of the largest ever teams due to the final roll over places being used since Covid. Other challenges also proved popular with half marathons, sky dives and other individual challenges growing. Community involvement has seen good levels of support and growth. Large-scale events are still popular but create less income from sponsorship which is a historic decline and seen by many other charities. In common with other charities, Farleigh Hospice has also seen a marked decline in appeal income although using analytics to review who receives our mailings gave a better return on the investment than previous years.

The reindeer run initiative with nurseries and primary schools in the community continued to grow and do well.

The team continue to engage with corporates to offer annual partnerships and volunteering opportunities and also successfully apply for grants and trusts with funds being received core funding alongside a number of specific projects

Retail

Farleigh Hospice has grown to sixteen stores across mid Essex with the development of a new Chelmsford City Centre store named Full Circle. It is a large fashion store in an excellent location and has been very well received with a contemporary design to the interior.

The stores use donations of clothes, bric-a-brac and furniture to raise vital income for the Hospice. The donated items are sold in the stores and warehouses, online, or where not suitable for resale, are sold as recyclable items through a recycling agent. Farleigh Supplies Limited sells new goods (mostly cards) and operates a retail gift aid scheme on behalf of Farleigh Hospice. During the year Farleigh Hospice began a new concept named Farleigh House Clearance Services, alongside a man with a van option.

The Farleigh retail team continues to grow and had their most successful year in 2023/24 in terms of income with a gross income of over £2m for the first time - an incredible amount. This has been led by many individual stores having their best ever year of sales. The warehouse concept has been very successful, and it is hoped to find another suitable location in mid Essex soon.

Friends of Farleigh

Friends of Farleigh are a support group who control their own funds and make donations to Farleigh Hospice periodically.

Volunteers

Our volunteers provide a huge contribution to Farleigh Hospice. There are over 600 regular volunteers registered on our volunteer database with many more who give their time on an ad-hoc basis helping out at various fundraising events such as The Walk for Life and the Santa Fun Run. By multiplying the number of volunteers (600) by the average number of hours worked per week per volunteer (4) and the cost of minimum wage (£11.44 per hour), it is estimated that our volunteers save us over £1.4million per year in salary payments, completing nearly 125,000 hours of work annually.

There are over 30 different volunteer roles - both in the hospice building and out in retail stores and warehouses. Volunteer roles are varied throughout each department and include IPU volunteers, Welcome Team, gardeners, fundraising office support, cash counters, catering, admin support, bereavement support, counselling, spiritual care and complementary therapy.

Volunteers are an integral part of Farleigh Hospice - as well as helping to save money and provide essential support to services, volunteers are also key ambassadors and supporters for the charity, participating in fundraising, events and general awareness of the hospice and the work we do.

We appreciate all that our volunteers contribute and couldn't run the service the way we do without their support and dedication.

Strategic Report

Achievements and performance

Impact of Farleigh Hospice's charitable activities

The trustees take care to ensure that limited charitable resources are directed to where they will have most impact. The activities section at the start of this report shows the variety of services Farleigh Hospice offers and the number of people accessing those services.

This work has a huge amount of impact on an ongoing basis across the local community. Key metrics to show the amount of work carried out across Farleigh Hospice teams are as follows:

	2019/20	2020/21	2021/22	2022/23	2023/24
Total people cared for	4,482	4,371	4,067	4,142	4,541
Accepted Referrals (excluding bereavement)	1,232	1,390	1,603	1,573	1,571
% of patients with a non-cancer diagnosis	37	38	39	43	47
% preferred place of death achieved	84	91	88	90	91
Number of other hospices supported by Local Hospice Lottery	22	26	28	31	35

This is the second year of Farleigh Hospice's strategy 'One Team with One Core Purpose'. Each year the trustees also review impact by considering a particular focus.

This year impact is focused on one of the three themes of the strategic plan – innovation.

Rapid Access Service

One of the greatest achievements in 2023 was the inception of the innovative Rapid Access Service. Working in partnership with the Integrated Care Board colleagues, and two other hospices in Essex, we have developed a pathway that ensures people have rapid and timely access to the care they need whether that be at home, in the hospice, or in a nursing home.

This unified pathway which has decreased inequity in patient and family experience across mid and south Essex. There is a true sense of partnership working and cohesion which has improved patient experience – care is effectively co-ordinated between our acute hospitals, our NHS community partners, primary care and the hospices.

Since September 2023, the Farleigh Hospice element of the service has received 771 referrals. 240 patients have received care in nursing homes, 369 have been cared for at home, and 67 have been cared for in the hospice Rapid Access beds in the Inpatient Unit.

One relative explains what a difference having Farleigh Hospice care at home means to them:



I want to thank the wonderful carers who looked after my husband...

The last two weeks were made so much easier knowing he had people around him that wanted to make his last few days comfortable and pain-free and I know I can always look back on that horrible time knowing no one could have been more committed to this, than the Farleigh team.



Education

The education team at Farleigh Hospice have developed new and innovative training courses which make a real contribution to end of life care provided at Farleigh Hospice and elsewhere in the community.

New staff joining Farleigh Hospice complete a diverse range of mandatory training and also attend an in-house eight-day course covering the essential elements of palliative care, during their first six months of employment.

New registered nurses will complete a drug competency assessment and be trained and assessed on verifying expected deaths. This all underpins and ensures the safety of patients and staff.

Further education is offered to all clinicians, via an advanced palliative care course, which supports clinicians to become experts in palliative and end of life care.

The success of this course in supporting Virtual Clinical Nurse Specialist and trainee Clinical Nurse Specialist teams was showcased at the Hospice UK Conference in Liverpool in the Autumn of 2023.

As well as the oral presentation, Farleigh staff presented several posters at the Hospice UK Conference and also presented at the World Congress of the European Association for Palliative Care Congress in Rotterdam in June 2023.

Sue Griffith, Farleigh Hospice's Head of Education and Research said:



The World Congress is an important international event for Farleigh to be a part of. We have presented at previous EAPC conferences, but relished the opportunity to present these two projects on this occasion.

The 2023 Congress gave us the opportunity to share our successful projects, and also to keep abreast of innovative best practice in palliative care and bereavement support from other experts around the world.



Enhanced End of Life Overnight Service

For the last three months of 2023/24, Farleigh Hospice worked collaboratively with Marie Curie and the local Provide District Nursing Team to enhance access to specialist care out of hours.

During the pilot period calls that came to the existing district nurses were triaged to a specialist team of registered nurses and healthcare assistants who then supported patients in their own homes.

The pilot is still being evaluated but it was hoped that it would reduce avoidable admissions into Accident and Emergency.

Stephanie Dawe, CEO of Provide Health, said:



It is a privilege for our existing Overnight District Nursing Service to be able to work with Marie Curie and Farleigh Hospice in this pioneering initiative.

This project is about enhancing how palliative care is delivered in our community.

By providing overnight care, we are taking a significant step towards ensuring that individuals living with terminal illness receive the compassionate, specialist support they need, in the comfort of their own home.

This collaboration is testament to our commitment to delivering holistic and responsive healthcare, reducing the strain on emergency services, and most importantly, honours the dignity and comfort of our patients during their most critical times.



Local Hospice Lottery Ltd (LHL)

LHL remains one of the most successful examples of innovation and collaboration in the hospice movement and is the largest hospice lottery in the country, having contributed a total of £60 million to hospice care since it started in 1996.

By working together, hospices are able to minimise the costs of running a lottery, thus maximising the amount that can ultimately be used for patient care.

Partner hospices are also able to benefit from LHL's expertise in marketing and player recruitment.

Each year, LHL runs a partner conference where hospices can come together to share ideas.

Children's Hospices Across Scotland, who have been working with Local Hospice Lottery since 2014, outline how important the LHL partnership is to their hospice.

CHAS said:



Local Hospice Lottery is an incredibly important partner, helping CHAS achieve its strategic ambition, to reach every family in Scotland.

We are incredibly proud of the team at Local Hospice Lottery and the fundraisers engaging with communities in Scotland and growing our supporter base.

We feel incredibly lucky to be working with such a professional, transparent and innovative group of people and know that we can trust the team to act in our best interest. Thank you for all your incredibly hard work.



Achievement of goals set for the 2023/24 financial year

● **Implement IT managed service offer to external organisations**

During the year, Farleigh Hospice launched Deliver Digital IT Services, a comprehensive managed service offering which is tailored for external organisations. This new service is designed to provide robust, cost-effective IT solutions, ensuring these organisations can focus on their core activities while we manage their IT infrastructure efficiently. This initiative marks a significant step in expanding our service portfolio and supporting the broader community with reliable IT services.

● **Outpatient model: Scope opportunity for new clinics and develop collaborative business cases**

The launch of the new Rapid Access Service limited the time available to develop projects during the year. There was a pilot of a heart failure clinic in the early part of 2023/24. This will be considered in 2024/25 alongside any development plans for the Maldon site.

● **Prepare new income generation plan utilising business intelligence and trend analysis**

Data intelligence was used across all areas to minimise costs and maximise response levels by utilising previous giving trends and other intelligence from giving reports. This next year will see a data project which will aim to build on this and utilise all data and knowledge we have, to maximise the impact of all communications. New strategic plans for fundraising, retail and communications will be developed in the early part of 2024/25.

● **Clearly communicate Farleigh hospice current service offer both internally and externally**

Development of case studies and stories this last year has been key to building a case for support. We have been working with our clinical teams to get to know families who are happy to share their story of the support and care Farleigh has provided them and their families, and the impact this has had. The stories we can share are crucial to sharing the impact of our work to all those who need our support. This work will be ongoing with a new case story library being developed.

● **Further develop a digital approach to marketing/income generation**

As we move more and more into a digital world we have developed our opportunities to market our services and ways of giving in line with them. We offer online giving in various ways including by a QR code, via in memory and tribute online pages, website and text giving and also digital marketing such as digital screens across Chelmsford. We have utilised AI to ensure our messaging is clear and concise but without losing the personal link to the people we communicate with.

● **Implement new learning and development strategy**

Farleigh Hospice commits 1% of its salary budget towards costs of Learning and Development for all staff. There is a learning and development panel who review requests for approval. The initial development of a leadership development programme has taken place in 2023/24 and will be further developed in the coming years.

● Consolidate virtual support offer for patients/carer's/bereaved clients

During 2023/24 we continued to offer virtual support to our patients and families both for symptom control and bereavement support if this was the chosen or most effective method for the family.

We have a number of virtual clinical nurse specialist (CNS) posts who work as part of the locality multi-disciplinary holistic model. This was an innovative development and workforce solution as CNS posts are hard to recruit to. The model has proven to be a success, and the virtual posts are fully embedded in locality teams and will continue to be part of our workforce establishment.

SystmOne is our electronic patient record and has a function to enable us to provide virtual consultations with patients and families. This enables prompt and timely review of symptoms when a visit is not possible.

In 2023, we were successful in sourcing funding for 'Real Wear' headsets, which is another form of virtual connection with patients. It enables clinicians to have an eyes on close up view of the patient remotely when the clinician attending the patient is wearing the headset. These devices are already in use by our NHS community partners and have helped to provide accurate assessment of patient symptoms.

● Continue to build Farleigh Hospice one team vision - strengthen understanding of Farleigh Hospice values and culture

All leaders within the hospice are aware of the responsibilities in embedding the behaviours that underpin the values.

Posters are presented around the building. The Executive Team have held a number of sessions as to how to further embed the values within the organisation and positively influence culture. Further work will be carried out during 2024/25.

● Offer career pathways to 'grow' our own and attract staff

Pathways are in place for trainee clinical nurse specialists and trainee healthcare assistants and included in the recruitment advertising and paperwork.

These schemes have been successful in attracting staff. Farleigh Hospice has offered placements to students on the Nursing Associate programme.

The possibility of a partnering with a local university to offer this programme for our healthcare assistants is being investigated.

● Growth in Local Hospice Lottery membership

Local Hospice Lottery has reviewed the potential level of lottery membership by reviewing population data, demographics and penetration by other hospice lotteries.

It was concluded that there is still the capacity in each area to further grow existing lottery membership.

In 2023/24, Local Hospice Lottery partnered with four new hospices, bring the total (excluding Farleigh) to 35 partner hospices. Local Hospice Lottery has streamlined the process of on-boarding new partners which has increased the capacity to do so.

During 2023/24, Local Hospice Lottery employed Business Improvement Techniques to continue to streamline operations and has continued to develop and train staff in the application of these techniques.

Fundraising

Farleigh Hospice is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice and Fundraising Promise. All fundraisers are aware of the need to act ethically in accordance with the Code of Fundraising Practice and Farleigh Hospice values. They are particularly sensitive to the vulnerability of those who use Farleigh Hospice services.

The Financial Governance Committee has specific delegation from the Board to review fundraising activities. It receives reports from the commercial director at each meeting. In addition, management accounts showing performance against budget and prior year are reviewed.

Any significant changes to fundraising expenditure are approved at Financial Governance Committee meetings. A summary of these discussions is notified to the full board. Trustees are actively involved in fundraising with many attending the large-scale events and representing Farleigh Hospice at other events, when they are able to take place.

In 2023/24 there were no upheld complaints relating to Farleigh Hospice's fundraising activities in mid Essex.

Where complaints are received they are all investigated fully and resolved where possible, in accordance with the Farleigh Hospice complaints policy. All complaints related to fundraising are reviewed by the Executive Team and the Financial Governance Committee.

Farleigh Hospice is signed up to the Fundraising Preference Service which enables individuals to opt out of receiving fundraising communications from Farleigh Hospice. There was one request to opt out of communications in 2023/24 (22/23: Three).

Farleigh Hospice does not employ third party professional fundraisers or commercial participators and therefore does not need to regulate their activities, Local Hospice Lottery has relationships with a number of professional fundraisers.

These are monitored in line with the relevant fundraising and gambling regulations. Local Hospice Lottery is registered with the Fundraising Regulator, licensed by the Gambling Commission and is an organisational 'Dementia Friend'.

Investments

The Financial Governance Committee regularly reviews the investment policy.

The trustees hold funds in pooled investment schemes with both CCLA and M&G. The aim of this is to offset the impact of inflation on the charities funds held in cash deposits.

The performance of these funds is regularly reviewed by the Financial Governance Committee. Farleigh Hospice keeps funds for short-term needs in deposit accounts and term cash deposits.

Financial review

Result for the year

The overall result for the year is a deficit of £0.5m, which is ahead of the 2022/23 deficit of £0.7m, mostly due to increased income. Trustees had budgeted for a higher deficit for the 2023/24 financial year, as whilst reserves remain relatively high trustees wish to invest in supporting patients and families.

The results above and in the detailed accounts later in this report show the overall group results. Figures for the Farleigh Hospice charitable group replacing the overall income and expenditure figures for Local Hospice Lottery Ltd with the net donation paid to Farleigh Hospice, are as follows;

	2023/24 £000s	2022/23 £000s
INCOME		
Donations and legacies	2,862	2,451
Charitable activities (NHS income)	7,114	5,587
Shop income	2,150	1,908
Donation from LHL	1,287	1,066
Other fundraising activities	253	183
Investments	258	80
Other income	42	75
Total income	13,966	11,350
EXPENDITURE		
Shop Costs	1,858	1,575
Fundraising costs	1,021	915
Charitable expenditure	11,682	9,545
Total expenditure	14,561	12,035
Net (loss) gain on investments	113	(7)
Net income /(expenditure) for the year	(482)	(692)

Farleigh Hospice is unable to accrue profits from trading subsidiaries not paid over in the year. There were £75k of profits still to be paid over at the end of the financial year (2023: £79k).

Income

Total group income for 2023/24 increased by £4.2m to a total of £26.7m.

Income from the Local Hospice Lottery Ltd (LHL) players increased by £1.7m to £14m, an increase of 12%. After offsetting £4.6m of costs associated with running the lottery and £8.1m in donations to other hospices, LHL donations due to Farleigh Hospice are £1.3m, which is £0.2m up on last year. The lottery business has had substantial growth in the year primarily as a result of taking on new partners. The number of partners has increased by 4 in the year bringing the total excluding Farleigh Hospice to 35. The business carries out face to face fundraising on behalf of partners but recruiting canvassers in the current employment market has been difficult.

NHS income has increased by 27% (£1.5m) to £7.1m during the year. This is primarily as the result of the new Rapid Access Service contract. Since 2020, Farleigh Hospice has cared for patients rapidly deteriorating and in the last three months of life at home. From August 2023, the hospice, working alongside other hospices in the Mid and South Essex ICB, has also placed patients who meet this criteria in care homes. This work is fully funded by the ICB, Farleigh Hospice has charged the ICB £1.2m for care homes since the contract, which explains most of the increase in NHS income.

Income from donations (gifts) and legacies has increased by £0.4m to £2.9m. This increase is due to legacy income which has gone up by £0.4m to £1.2m. This is because of two large estates recognised during the year. The most significant single income stream within donations is donations in memory which raised £0.5m in 2023/24, the same as 2022/23.

Shop income at £2.1m is up £0.2m on the previous year. Shop income has broken the £2m barrier for the first time this year. Although the new Chelmsford City Centre store only opened up in November, it accounted for £0.1m of this increase in sales. Increase in costs particularly setting up the new shop and salary costs has resulted in a reduction in the overall net profitability of the shops during the year.

Charitable expenditure

The Farleigh Hospice expenditure on its own charitable activities has increased to £12m, a 22% increase on the 2022/23 spend of £9.5m.

There has been an increase in costs on the Inpatient Unit, of £0.5m this is as a result of the unit operating at 10 beds for the full year compared with 2022/23 the unit operated at 6 beds for the first 6 months of the year.

Costs of community care increased by £1.7m largely due to the increased costs of the care home element of the Rapid Access Contract.

LHL donations to other hospices, to be used in accordance with Farleigh Hospice's charitable objectives, increased by £1.2m to £8.1m.

Reserves policy and going concern

All charities are required to consider how much they need to hold in reserves. The extent of these reserves varies depending on the scale and nature of the charity's activities.

Farleigh Hospice provides a range of critical health services on which the population of mid Essex depend. To fund these services, it is reliant on a number of fluctuating income streams from donations, legacies and shop and lottery profits.

To enable Farleigh Hospice to meet its commitments to the community and provide key hospice services, it needs to maintain its level of reserves so that it can continue operations in the event that an unforeseen decrease in income or increase in costs results in a significant deficit.

The trustees carry out a risk-based analysis in arriving at the level of reserves needed to protect against unforeseen events. This risk-based analysis looks at the amount of reserves that would be needed if there were a significant fall in income for eighteen months.

The desired level of reserves set for the 2023/24 financial year, is £4.3m which is the same as 2022/23. Note 24 to the accounts shows that the free unrestricted reserve is £6.5m (2023: £6.9m), a decrease of £0.4m on the previous year.

The trustees have set a negative budget for 2024/25 and are considering further investment of funds in commercial activities to ensure that the hospice income is financially resilient via diversification of income streams.

The trustees continue to hold designated funds for fixed assets (£3.6m) and the refurbishment of the new site in Maldon (£0.2m).

The trustees have reviewed the circumstances of Farleigh Hospice and its group companies and consider that adequate resources continue to be available to fund the activities of the charity and the group for the foreseeable future.

The trustees are of the view that Farleigh Hospice and the group companies are a going concern and likely to remain so for the foreseeable future.

Principal risks and uncertainties

Farleigh Hospice and Local Hospice Lottery Ltd both hold detailed risk registers that are reviewed regularly at committees and board. These risks are ranked by likelihood and impact to produce a score which ranks them red, amber or green in terms of their potential impact for the organisation.

The trustees have sought to mitigate risks as much as possible and the mitigation of these risks is explained below. The trustees consider the following to be the principal risks to which Farleigh Hospice is exposed.

1. Safety of service users, staff and volunteers

During the year, the clinical teams have reviewed a number of aspects of patient safety to ensure that they are fit for purpose. The recent CQC inspection raised the rating of the safe domain from requires improvement to good. Pressure of work is an issue raised by staff and there are a number of mitigations in place including emphasis on wellbeing and staff development.

2. Organisational overload due to increasing demand for services

Although referrals to core services was around the same as the previous year. There was a significant increase in activity as a result of the new Rapid Access Service contract. Over recent years there has been an increase in the complexity of patients particularly in the Inpatient Unit. These complex patients take more resource to care for them properly. With death rates set to increase substantially in the 2030s and limited resources both financially and in terms of qualified staff, it is a risk that is under close review by the hospice. A review of referral criteria will be carried out in 2024/25.

3. Future Financial stability

Farleigh Hospice has budgeted for a significant deficit again in 2024/25. Realistically it is simply not possible to provide the level of care needed for Farleigh Hospice patients from the current combination of statutory and charitable funding. Farleigh Hospice is exploring commercial opportunities with the launch of two new commercial ventures this year, a House Clearance business and Deliver Digital, an IT support business. Financial Governance Committee closely monitor three year forecasts and at this stage there is no cause for concern as the level of reserves will cover future deficit budgets. This a national picture amongst hospices with many facing similar issues as reported by Hospice UK.

4. NHS funding

NHS funding is provided locally by the Mid and South Essex Integrated Care Board (MSEICB). Farleigh Hospice have good relations with local commissioners and is working collaboratively with them and other hospices to develop services such as the Rapid Access Service. However, their contribution for core services has diminished in real terms both financially and when compared with the level of increased demand over recent years. MSEICB is facing its own financial pressures due to the level of funding it receives itself and will pay no inflationary uplift for core services in 2024/25.

5. Noncompliance with fundraising, data and other regulations

Farleigh Hospice, along with other charities, is subject to an ever-increasing number of regulations. Non-compliance could result in fines or reputational damage, which threatens the future of the charity. The trustees have considered this risk and in order to help mitigate against it they have a Board Governance Committee, which has as one of its objectives to ensure that all compliance matters are dealt with properly. The Chief Executive, Finance Director and the Compliance and Assurance Lead, work together to ensure that there are appropriate processes in place to evidence compliance.

Plans for the future

Farleigh Hospice has a strategy in place for the period 1st April 2022 to 31st March 2026. Central to this strategy is the aim of One team with One Core Purpose, working together to ensure the provision of inclusive, individualised palliative care. The strategy is based around three themes: Inspire, Innovate and Invest.

The following have been identified as goals to achieve in the coming year, as part of the 2022-2026 Strategy.

- Undertaking a programme of community engagement to understand the end of life needs across mid Essex. To include patients, families and carers past and present and those within our community who may find it difficult to reach out and access care.
- To test and pilot a revised bereavement model. As part of an organisational focus on early intervention and wellbeing.
- To undertake a review of data and processes for community working to assess the current model and clearly articulate capacity and demand.
- Establish a clear view on the workforce needed now and in the future. Achieving clarity of vision on staffing structures, volunteering, training, education and other collaborative models of working.
- Further development of commercial income, including the House Clearance business and Deliver Digital.
- To carry out a data project to understand and benchmark how data is currently used and create a data strategy. Having accurate and useful data will allow us to make a case for funding to our supporters and the NHS and understand how we can make best uses of the resources we have.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 4th March 1982 and registered as a charity on 5th May 1982.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is now governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Farleigh Hospice is governed by a board of trustees who are also directors of the company. The maximum number of directors is set at 14 in the Articles of Association.

The trustees are mindful of the Charity Governance Code recommendation that the maximum number of trustees should be 12. The number of trustees at Farleigh Hospice was capped at 12 until 2016.

However, with a number of trustees reaching their 9 year anniversary where they must retire, the trustees were concerned that they could not adequately resource the Committee structure and the Local Hospice Lottery Ltd governance requirements with 12 trustees.

Day- to-day management is delegated to the Chief Executive and the Executive Team.

The full board is supported by a committee structure. This structure is designed to ensure that the committees support the full board in delivering Farleigh Hospice's strategic objectives and statutory obligations. There are four standing committees.

A Board Governance Committee oversees governance matters, in particular compliance with the Charity Governance Code. This committee also looks at trustees' recruitment, succession planning and performance.

A Remuneration Committee is delegated to look at matters concerning the Executive Team including pay.

The other three committees are Clinical Governance Committee (dealing with clinical matters); a Corporate Governance Committee (dealing with health, safety and environment, internal and external communication and matters relating to staff and volunteers) and a Financial Governance Committee (which deals with financial matters and oversees income generation).

Each committee is responsible for governance, quality, compliance and risk management in its area of responsibility.

The full board takes reports from the chair of each committee at all of its meetings. The full board meets four times per year and each of the committees meet quarterly.

Board members also sit alongside members of the Executive Team as directors of the two trading companies in the group.

Local Hospice Lottery Ltd runs a lottery on behalf of Farleigh Hospice and a number of other hospices across the UK.

Farleigh Supplies Limited deals with the purchasing of new goods for sale in the shops and administers the retail Gift Aid scheme. It also runs the two new commercial ventures the house clearance business and Deliver Digital.

Farleigh Hospice complies with the NHS requirement to produce a Quality Account and this documents the audit and quality improvement work that is carried out across the organisation. A copy of the Quality Account 2023/24 is available on the Farleigh hospice website: farleighhospice.org

Each year, alongside the board meetings, the full board meets for an away day. This gives the board an opportunity to discuss more strategic issues and their performance as a board. In addition, each year, a board self-assessment survey is undertaken to establish how the board is performing.

Each trustee has an annual one to one with the chair.

The vice chair undertakes a review of the chair and ensures appropriate feedback is given to the chair.

Appointment of trustees

When vacancies occur, trustees are recruited using a widespread recruitment campaign or in response to an approach by an interested party. They are interviewed by existing board members and a staff representative. If suitable, having the right breadth of skills and experience, they will attend three board or committee meetings and will then join the board if they and the rest of the board agree. Trustees can serve a maximum term of nine years.

Trustees are initially co-opted to the board but they stand down at the next AGM to be formally re-elected by the members. They do this again at three and six years and then formally stand down at the end of the ninth year.

Trustee Induction and Training

New trustees are supplied with a comprehensive induction pack and meetings arranged with key members of staff. They also have an existing board member to act as a mentor. Full board training is carried out as required, delivered by an appropriately qualified Farleigh Hospice staff member or an expert from within the board. External courses and opportunities to attend workshops and conferences are offered as opportunities arise.

Each board meeting includes either a patient story or a presentation from a member of staff relating to the services they deliver.

Chair

Trustees elect a chair and vice chair from within their numbers. The terms of office for each position is three years with an option to stand for a second term only. The current chair is Keith Spiller.

Related parties and relationships with other organisations

None of the trustees receive remuneration or other benefit from their work with the charity.

Farleigh Hospice requires trustees and executive directors to declare any interests that they may have outside of the charity. Transactions and contractual relationships with related parties must be disclosed.

One of our trustees (2023: one) is the Clinical Lead for Mid and South Essex Integrated Urgent Care Service.

One of our trustees is a partner at Birkett Long LLP, who periodically advise us on aspects of our activities including lease renewals. During the year, Farleigh Hospice spent £13,359 with Birkett Long LLP.

The hospice has a close working relationship with Mid and South Essex NHS Foundation Trust, which runs Broomfield Hospital, which is on a neighbouring site. The palliative care medical consultants who work at Farleigh Hospice are supplied under a Service Level Agreement with the trust.

The charity has two trading subsidiaries. Local Hospice Lottery Ltd runs a weekly lottery on behalf of Farleigh Hospice and a number of other hospices. Donations to those other hospices are made as part of the contractual relationship with these hospices. These donations must be used in furtherance of hospice care. The other hospices, as at 31st March 2024, are listed in note 7 of the accounts.

Farleigh Supplies Limited is another wholly owned subsidiary. This trades in new goods and operates the Farleigh Hospice retail Gift Aid scheme. Farleigh Supplies also now operates the newly formed House Clearance Company, which provides clearance and reuse services to the community. It also runs an IT service, Deliver Digital.

Remuneration policy for key management personnel

For Farleigh Hospice, the Remuneration Committee considers the pay and terms and conditions of the key management personnel. Although this committee consists of a subset of the board any decisions are taken by the full board. Pay is benchmarked by individual posts against roles in similar organisations through an external benchmarking process using an independent company.

For Local Hospice Lottery Ltd similar arrangements exist regarding benchmarking overseen by the Lottery Board, but the approval authority for the Chief Executive and Finance and Operations Director also sits with the Farleigh Hospice board.

Equality and Diversity

The trustees are committed to creating an inclusive environment where diversity is recognised and celebrated, amongst our staff and service users. Farleigh Hospice is committed to ensuring that services and employment opportunities are accessible by all regardless of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Farleigh Hospice operates an Equal Opportunities policy and expects all staff to share this commitment in relation to employment and service delivery. As part of this commitment, the hospice employs safer recruitment practices to ensure equality of access to all candidates, fair and consistent recruitment methods to enable candidates to be their best, and make reasonable adjustments to support disabilities both through recruitment and also to retain employment.

All employees and volunteers are treated equally. Selection for employment, promotion, training or any other benefit is on the basis of aptitude and ability. Should any staff member become disabled, reasonable effort is made to continue their employment and where necessary provide suitable adjustments and support.

Employee Information

Top 100 staff survey

Farleigh Hospice participates in the Best Companies Top 100 staff survey. In the most recent survey Farleigh staff took part in a staff 'pulse survey' run by Best Companies. The results show significant progress and Farleigh achieved a One Star Rating – Very Good Company to work for.

Staff feel really positive about the contribution Farleigh makes to the local community and giving something back is really important to the team. Approximately 90% of staff agree that they love working for Farleigh Hospice. Almost all staff (95%) said that they believed they were making a valuable contribution to the success of this organisation. There was a 3% increase in staff feeling they have a Fair Deal in relation to pay and benefits.

Although there are financial pressures, the trustees have maintained cost of living increases particularly recognising our lowest paid staff and we aim as a charity to match the Real Living Wage.

Environmental sustainability

The hospice has a green group who look at sustainability across the hospice, including waste management and reducing carbon emissions by various energy saving initiatives.

Due to its size, Farleigh Hospice is not required to disclose any specific environmental measures.

Statement of responsibilities of the trustees

The trustees (who are also directors of Farleigh Hospice for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Account Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £5 to the assets of the charity in the event of winding up.

Members pay their guarantee on joining the charity and it is held separately in a members' guarantee fund.

The total number of such guarantees at 31st March 2024 was 86 (2023: 83).

The trustees are members of the charity but this entitles them only to voting rights.

The trustees have no beneficial interest in the charity.

The Trustees' Annual Report, which includes the strategic report, has been approved by the trustees on 8th July 2024 and signed on their behalf by Keith Spiller.



K Spiller
Chair

Independent auditor's report

Opinion

We have audited the financial statements of Farleigh Hospice (the "parent charitable company") and its subsidiaries (the "group") for the year ended 31 March 2024 which comprise consolidated Statement of Financial Activity, the group and parent charitable company Balance Sheets, the Group Cashflow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group 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 trustee's 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within 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:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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:

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud.

The laws and regulations we considered in this context were Care Quality Commission regulations.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the timing of recognition of grant income and legacies and override of controls by management.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, performing audit testing over grant and legacy income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Care Quality Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham GL50 3PR

Date: 09 August 2024

Consolidated statement of financial activities for the year ended 31st March 2024

(incorporating a consolidated income and expenditure account)

		Unrestricted	All	2024	Unrestricted	All	2023
	Note	£000	Restricted	Total	£000	Restricted	Total
Income from:			£000	£000		£000	£000
Donations and legacies	2	2,791	71	2,862	2,340	111	2,451
Charitable activities	3	7,114	-	7,114	5,587	-	5,587
Other trading activities							
Lottery Income		13,998	-	13,998	12,259	-	12,259
Shop Income		2,150	-	2,150	1,908	-	1,908
Other fundraising activities	4	248	5	253	174	9	183
Investments	5	308	-	308	89	-	89
Other		42	-	42	75	-	75
Total income		26,651	76	26,727	22,432	120	22,552
Expenditure on:							
Raising funds							
Lottery Costs	6	4,627	-	4,627	4,283	-	4,283
Shop Costs	6	1,858	-	1,858	1,575	-	1,575
Fundraising Costs	6	1,014	7	1,021	907	8	915
Income available for charitable activities		19,152	69	19,221	15,667	112	15,779
Charitable Activities							
Farleigh Hospice							
Inpatient Care	6	2,596	56	2,652	2,183	35	2,218
Community Care	6	8,129	124	8,253	6,346	178	6,524
Bereavement	6	530	38	568	513	70	583
Education and Information	6	209	-	209	217	3	220
Local Hospice Lottery Ltd donations to hospice care	6,7	8,146	-	8,146	6,884	-	6,884
Total expenditure		27,109	225	27,334	22,908	294	23,202
Net (expenditure) / income before net gains / (losses) on investments		(458)	(149)	(607)	(476)	(174)	(650)
Net gains/(losses) on investments		92	21	(113)	2	(9)	(7)
Net (expenditure) / income for the year and net movement in funds	8	(366)	(128)	(494)	(474)	(183)	(657)
Transfers between funds		-	-	-	-	-	-
Reconciliation of funds:							
Total funds brought forward		10,695	2,824	13,519	11,169	3,007	14,176
Total funds carried forward		10,329	2,696	13,025	10,695	2,824	13,519

*All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
Movements in funds are disclosed in Note 24 to the financial statements.
The notes to the accounts are shown on pages 30 to 55.*

Balance sheets as at 31st March 2024

Company no. 01619905

	Note	The group 2024 £000	The group 2023 £000	The charity 2024 £000	The charity 2023 £000
Fixed assets					
Tangible assets	13	5,748	5,827	5,708	5,795
Investments	14	2,512	2,349	2,512	2,349
		8,260	8,176	8,220	8,144
Current assets:					
Stock	17	9	11	-	-
Debtors	18	1,231	1,315	957	1,120
Investments	19	3,264	1,863	2,011	1,863
Cash at bank and in hand		4,601	5,770	3,138	3,334
		9,105	8,959	6,106	6,317
Liabilities:					
Creditors: amounts falling due within one year	20	(4,340)	(3,616)	(1,374)	(1,035)
Net current assets		4,765	5,343	4,732	5,282
Net assets		13,025	13,519	12,952	13,426
Funds					
Restricted endowment funds	24	2,570	2,621	2,570	2,621
Restricted income funds	24	126	203	126	203
Unrestricted income funds					
Designated Funds	24	3,788	3,795	3,788	3,795
General funds	24	6,541	6,900	6,468	6,807
Total unrestricted funds		10,329	10,695	10,256	10,602
Total funds		13,025	13,519	12,952	13,426

The notes to the accounts are shown on pages 30 to 55.

Approved by the trustees on 8th July 2024 and signed on their behalf by



K Spiller
Chair

Consolidated statement of cash flows

for the year ended 31st March 2024

	Note	2024 Total £000	2024 Total £000	2023 Total £000	2023 Total £000
Net cash provided by operating activities	25		49		977
Cash flows from investing activities:					
Dividends, interest and rents from investments		308		64	
Proceeds from the sale of fixed assets		-		50	
Purchase of fixed assets		(75)		(45)	
Purchase of investments		(1,451)		(1,031)	
Net cash provided by/(used in) investing activities			(1,218)		(962)
Change in cash and cash equivalents in the year			(1,169)		15
Cash and cash equivalents at the beginning of the year			5,770		5,755
Cash and cash equivalents at the end of the year	26		4,601		5,770

The notes to the accounts are shown on pages 30 to 55.

Notes to the financial statements

for the year ended 31st March 2024

1 Accounting policies

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

a) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries Local Hospice Lottery Ltd and Farleigh Supplies Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

b) Public benefit entity

Farleigh Hospice meets the definition of a public benefit entity under FRS 102.

c) Going concern and key judgements

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The items in the financial statements where these estimates and judgements have been made include the following:

i) Useful economic lives of tangible assets

See Note 13 for the carrying amount of tangible assets and accounting policy k for the useful lives of each class of asset.

ii) Accrued legacy income

See accounting policy d where this is set out in full.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. For the majority of income this will be on a cash received basis.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are shown as accrued income in debtors.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable and measurable when the amount can be measured reliably and there are no potential claims against the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Sponsorship from events and fundraising is recognised in income when the event takes place. Lottery income is accounted for in respect of those draws that have taken place during the year. Trading income is recognised at the point of sale for both donated and purchased goods.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed because the trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold and undertaking a stock-take would incur cost for the charity which would far outweigh the benefits.

f) Interest and dividends receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds are gifts of capital that must be retained and any income earned must be used in furtherance of Farleigh Hospice's charitable activities.

Unrestricted funds are donations and other incoming resources received or generated for general charitable purposes. They are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The cost of raising and administering such funds are charged against the specific fund.

The aim and use of each material designated fund and restricted fund is set out in the notes to the financial statements.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified, on an accruals basis, under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any trading and other activities with a fundraising purpose, including those for Local Hospice Lottery Ltd.
- Expenditure on charitable activities includes the costs of specialist palliative care and bereavement support undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of estimates, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease. Benefits received or receivable as an incentive to sign an operating lease are recognised on a straight line basis over the minimum period of the lease. Farleigh Hospice classifies the lease of printing equipment as an operating lease and payments are recognised as incurred.

k) Tangible fixed assets

Individual Fixed Assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated expected useful life as follows:

- Buildings (75 years)
- Long Leasehold property (99 years)
- Short leasehold property improvements Computers and equipment (3 to 5 years)
- Computers and equipment (5 years)
- Motor vehicles (4 years)

Because of its high net residual value land is not depreciated.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

l) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing valuation. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are included at cost.

m) Stocks

Stock of bought in retail goods is included at the lower of cost or net realisable value.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

o) Cash at bank and in hand

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

p) Current asset investments

Investments include cash with a maturity date of greater than three months but less than one year.

q) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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.

r) Pensions

Staff joining from the NHS can choose to continue their membership of the NHS pension scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies allowed under the direction of the Secretary of State, in England and Wales. Any deficit on the scheme is funded by the Treasury and an increase in future contributions. The scheme is therefore treated as a defined contribution scheme.

The employer's contributions made to the scheme in 2024 were £300,000 (2023:£272,000) with an employer's contribution rate of 14.38% of pensionable pay and employees' contributions between 5% and 13.5% of pensionable pay depending on the level of pay. The

trustees are satisfied that this and other foreseeable changes in employer's contribution rates can be budgeted for without detriment to the charity's ongoing activities.

All employees are entitled to join a defined contribution 'money purchase scheme' operated by Scottish Widows. Farleigh Hospice employers' contributions for the year were £330,000 (2023: £310,000). Employer's contributions are either 4%, 5% or 7% and employees' contributions are either 4% or 6%. Farleigh Hospice acts as an agent in collecting and paying over contributions. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

For both schemes the costs are included with the associated staff costs and allocated to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity. All employer contributions are expensed as they fall due.

s) Financial instruments

Except for listed investments, all the group's financial instruments, both assets and liabilities, are measured at settlement value. Listed investments are recognised at market value. Financial assets include cash at bank and in hand, trade and other debtors and accrued income. Financial liabilities include trade and other creditors and accruals. The carrying values are shown in notes 14,18,19 and 20.

2 Income from donations and legacies

	Unrestricted £000	All restricted £000	2024 Total £000	Unrestricted £000	All restricted £000	2023 Total £000
Gifts	1,583	71	1,654	1,488	111	1,599
Legacies	1,208	-	1,208	852	-	852
	2,791	71	2,862	2,340	111	2,451

Farleigh Hospice benefits greatly from the many hours our dedicated volunteers donate in a large number of different roles within the hospice. Further details of the volunteer contributions are given in the Trustees' Report. In accordance with FRS102 and the charities SORP (FRS102), the economic benefit of general volunteers is not recognised in the accounts.

No restricted legacies were received in 2024 (2023: 0).

In 2024, gifts totalling £71,000 were received, the purpose of which was restricted to Clinical Nurse Specialists (£12,000), Virtual Ward (£27,000), geographical areas (£10,000) and Catering Equipment (£8,000). The balance (£14,000) relates to a number of smaller projects.

In 2023, gifts totalling £111,000 were received, the purpose of which was restricted to Clinical Nurse Specialists (£30,000), Virtual Ward (£20,000), geographical areas (£17,000), Green Initiatives (£9,000) and Gardens (£8,000). The balance (£27,000) relates to a number of smaller projects.

As at 31st March 2024, the charity had been notified of residuary legacies where the value of these estates was uncertain as the executors had not yet compiled the estate accounts or because the executors are awaiting information on any claims to be made on these estates. Therefore no amount has been accrued in respect of these legacies which are estimated to be in excess of £317,000 (2023: £383,000).

3 Income from charitable activities

	2024 Total £000	2023 Total £000
Government Funding		
Core funding - Mid and South Essex ICB	2,138	2,085
Reimbursement of pharmacy costs - Mid and South Essex ICB	79	96
Enhanced End of Life funding - Mid and South Essex ICB	408	395
Rapid Access to End of Life funding - Mid and South Essex ICB	1,017	2,491
Rapid Access Service - Mid and South Essex ICB	3,164	-
Winter beds - Mid and South Essex ICB	222	484
Other funding - Mid and South Essex ICB	71	36
Core funding - Hertfordshire and West Essex ICB	15	-
	7,114	5,587

All income from charitable activities relate to unrestricted funds. The core funding relates to a two year contract with the Mid and South Essex ICB which supports the Inpatient Unit, community care and bereavement. The expiry date of this contract was 31st March 2024.

Farleigh Hospice also receives additional funding from Mid Essex and South Essex ICB to support in reach services into the local hospital and support patients at home (Enhanced End of Life).

Funding is also received to provide care for those patients in the last three months of life who are rapidly deteriorating. Until 31st August 2023 this service was provided under the Rapid Access to End of Life Funding and was for domiciliary care only.

In the summer of 2023, a new service was launched, under the Rapid Access Service Farleigh Hospice now places patients in Farleigh Hospice inpatient beds or nursing home beds (from 1st August 2023) and carries out domiciliary care (from 1st September 2023) to rapidly deteriorating patients in the last three months of life.

This work is being carried out pending the signing of a new contract in early 2024/25. This contract will run until the 31st March 2027. It is expected that the core funding and the Enhanced End of Life funding will also run until 31st March 2027.

Farleigh Hospice has received funds from Mid and South Essex ICB to support admission avoidance and discharge planning during the winter of 2022/23 and the early part of 2023/24.

4 Income from other trading activities

	Unrestricted £000	All restricted £000	2024 Total £000	Unrestricted £000	All restricted £000	2023 Total £000
Fundraising Events	248	5	253	174	9	183
	248	5	253	174	9	183

No restricted income events were held in 2024 (2023 none).

Income from Friends of Farleigh for the year is £5,000 (2023 £9,000) this is dealt with directly by the Friends and is held in

a restricted fund until a donation is made directly to Farleigh Hospice.

All other trading income is unrestricted.

5 Income from investments

	Unrestricted £000	All restricted £000	2024 Total £000	2023 Total £000
Bank Interest	211	-	211	60
Income received on common investment funds	97	-	97	29
	308	-	308	89

All income from investments in the prior year relates to unrestricted funds.

6 Analysis of expenditure 2024

	Direct Costs		Support costs				2024	2023
	£000	HR £000	Management £000	IT £000	Finance £000	Governance £000	Total £000	Total £000
Fundraising costs	865	41	15	45	49	6	1,021	915
Shops Costs	1,605	116	5	79	37	16	1,858	1,375
Lottery costs	3,879	231	147	145	215	10	4,627	4,283
Raising funds	6,349	388	167	269	301	32	7,506	6,773
Local Hospice Lottery Ltd donations to hospice care (Note 7)	8,146	-	-	-	-	-	8,146	6,884
Inpatient Care	2,491	73	23	20	35	10	2,652	2,218
Community Care	7,425	258	82	330	122	36	8,253	6,524
Bereavement	475	28	9	39	13	4	568	583
Education & Information	188	6	2	9	3	1	209	220
Charitable Activities	10,579	365	116	398	173	51	11,682	9,545
Total expenditure 2024	25,074	753	283	667	474	83	27,334	23,202
Total expenditure 2023	21,224	721	259	501	439	58	23,202	

Of the total expenditure, £27,109,000 was unrestricted (2023: £22,909,000) and £225,000 was restricted (2023: £294,000).

6 Analysis of expenditure 2023

	Direct Costs	Support costs					2023
	HR	Management	IT	Finance	Governance	Total	
	£000	£000	£000	£000	£000	£000	£000
Fundraising costs	772	44	4	43	48	4	915
Shops Costs	1,384	103	2	43	34	9	1,575
Lottery costs	3,654	179	147	115	180	8	4,283
Raising funds	5,810	326	153	201	262	21	6,773
Local Hospice Lottery Ltd donations to hospice care (Note 7)	6,884	-	-	-	-	-	6,884
Inpatient Care	2,067	74	20	17	33	7	2,218
Community Care	5,772	282	75	242	127	26	6,524
Bereavement	490	32	9	35	14	3	583
Education & Information	201	7	2	6	3	1	220
Charitable Activities	8,530	395	106	300	177	37	9,545
Total expenditure 2023	21,224	721	259	501	439	58	23,202

Of the total expenditure, £22,909,000 was unrestricted (2022: £16,466,000) and £3,106,000 was restricted (2022: £2,290,000).

7 Local Hospice Lottery Ltd donations to hospice care

Local Hospice Lottery Ltd makes donations to other hospices to be used in accordance with Farleigh Hospice's charitable objectives. The other hospice's participating in the draw are listed below:

Dorothy House	- Bath, North and West Wiltshire & North East Somerset
East Anglia's Children's Hospice (EACH)	- Cambridge, Norfolk, Suffolk & North Essex
Garden House Hospice Care	- Letchworth and surrounding areas, North Hertfordshire
Haven House Children's Hospice	- North East London and West Essex
Helen & Douglas House	- Oxfordshire and surrounding counties
Isabel Hospice	- Eastern Hertfordshire
Jessie May Hospice	- Bristol and surrounding areas
Katharine House Hospice	- Stafford
Lewis Manning Hospice	- Poole, Dorset
Martlets	- Brighton and Hove
Mary Ann Evans Hospice	- Nuneaton, Warwickshire
North London Hospice	- Barnet, Enfield and Haringey
Peace Hospice	- Watford and surrounding areas, West Hertfordshire
Princess Alice Hospice	- Surrey, Middlesex and South West London
Prince of Wales Hospice	- Pontefract and surrounding areas, West Yorkshire
Rotherham Hospice	- Rotherham
Rowans Hospice	- Pontefract and surrounding areas, West Yorkshire
Sobell House	- Oxfordshire
Springhill Hospice	- Rochdale, Heywood and Middleton
St Elizabeth Hospice	- Ipswich
St Gemma's Hospice	- Leeds
St Joseph's Hospice	- North and East London
St Luke's Hospice	- Basildon and surrounding areas, South Essex
St Michael's Hospice	- North Hampshire
St Peter & St James Hospice	- Lewes and surrounding areas, East and West Sussex
St Wilfrids Hospice	- Chichester and surrounding areas, West Sussex
St Wilfrids Hospice	- Eastbourne and surrounding areas, East Sussex
Wakefield Hospice	- Wakefield and surrounding areas, West Yorkshire
Woking and Sam Beare Hospices	- North West Surrey
The Hospice of the Valleys	- Gwent
Children's Hospices Across Scotland (CHAS)	- Scotland
Highlands Hospice	- Highlands
Kilbryde Hospice	- Scotland
St Vincents Hospice	- Renfrewshire and surrounding areas
Strathcarron Hospice	- Stirling and surrounding areas

These hospices received donations within the following bands:

	2024	2023
Received donations between the values of £0 and £199,999	19	16
Received donations between the values of £200,000 and £399,999	11	11
Received donations above the value of £400,000	5	4
	35	31

8 Net expenditure for the year

This is stated after charging / crediting:

	2024 £000	2023 £000
Depreciation	154	152
Operating lease rentals:		
Property	350	290
Other	20	20
Auditors' remuneration (excluding VAT):		
Audit - Charity	15	15
- Subsidiaries	14	12
Tax and Accounts Preparation - Subsidiaries	4	4

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £000	2023 £000
Salaries and wages	9,121	8,266
Redundancy and termination costs	-	11
Social security costs	836	781
Employer's contribution to defined contribution pension schemes	630	580
	10,587	8,704

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2024 No.	2023 No.
£60,000 - £69,999	3	1
£70,000 - £79,999	5	5
£80,000 - £89,999	4	3
£90,000 - £99,999	1	-
£100,000 - £109,999	-	-

The total employee benefits including pension contributions and social security costs of the key management personnel were £718,388 (2023: £643,846).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Farleigh Hospice purchases Trustee Indemnity Insurance on behalf of the trustees at a cost of £5,060 (2023: £5,060).

No trustees were paid for travel expenses during the year. (2023: Nil).

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

		2024 No.	2023 No.
Raising funds	Fundraising	19	18
	Shops	54	45
	Lottery (Including management 2, finance 6 and HR 5)	62	65
Charitable Activities	Inpatient Care	34	29
	Community Care	120	120
	Bereavement	13	14
	Education & Information	3	3
Support and Governance	HR	7	6
	Management	2	2
	IT	8	7
	Finance	4	4
	Governance	1	1
		327	314

11 Related party transactions

Related party transactions are disclosed on page 21 of the Trustees' Report.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries Local Hospice Lottery Ltd and Farleigh Supplies Limited gift aid available profits to the parent charity.

Their charge to corporation tax in the year was:

	2024 £000	2023 £000
UK corporation tax at 19% (2023: 19%) - Local Hospice Lottery Ltd	-	-
UK corporation tax at 19% (2023: 19%) - Farleigh Supplies Limited	-	-

13 Tangible fixed assets 2024 - The group

The Group	Freehold property £000	Short leasehold property £000	Furniture & computer equipment £000	Motor vehicles £000	Asset held for sale £000	Total £000
Cost						
At the start of the year	7,269	272	1,327	45	-	8,913
Additions in year	-	-	39	36	-	75
Disposals in year	-	(12)	-	-	-	(12)
Transfers in year	-	-	-	-	-	-
At the end of the year	7,269	260	1,366	81	-	8,976
Depreciation						
At the start of the year	1,516	271	1,280	19	-	3,086
Charge for the year	95	1	43	15	-	154
Eliminated on disposal	-	(12)	-	-	-	(12)
Transfers in year	-	-	-	-	-	-
At the end of the year	1,611	260	1,323	34	-	3,228
Net book value						
At the end of the year	5,658	-	43	47	-	5,748
At the start of the year	5,753	1	47	26	-	5,827

Land with a value of £149,368 (2023: £149,368) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

13 Tangible fixed assets 2024 - The charity

The Charity	Freehold property £000	Short leasehold property £000	Furniture & computer equipment £000	Motor vehicles £000	Asset held for sale £000	Total £000
Cost						
At the start of the year	7,269	272	1,034	45	-	8,620
Additions in year	-	-	-	36	-	36
Disposals in year	-	(12)	-	-	-	(12)
Transfers in year	-	-	-	-	-	-
At the end of the year	7,269	260	1,034	81	-	8,644
Depreciation						
At the start of the year	1,516	271	1,019	19	-	2,825
Charge for the year	95	1	12	15	-	123
Eliminated on disposal	-	(12)	-	-	-	(12)
Transfers in year	-	-	-	-	-	-
At the end of the year	1,611	260	1,031	34	-	2,936
Net book value						
At the end of the year	5,658	-	3	47	-	5,708
At the start of the year	5,753	1	15	26	-	5,795

Land with a value of £149,368 (2023: £149,368) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

14 Listed investments

	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
Fair value at the start of the year	2,349	239	2,349	239
Additions at cost	50	2,117	50	2,117
Net gain on change in fair value	113	(7)	113	(7)
Fair value at the end of the year	2,512	2,349	2,512	2,349
Investments comprise:				
	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
COIF Charities Investment Fund	1,409	1,292	1,409	1,292
M&G Charifund	1,103	1,057	1,103	1,057
Investments in subsidiary companies	-	-	-	-
	2,512	2,349	2,512	2,349

The charity holds investments in its subsidiary companies totalling £200 (2023:£200).

15 Subsidiary undertakings (Local Hospice Lottery Ltd.)

The charitable company owns the whole of the issued ordinary share capital of **Local Hospice Lottery Ltd**, a company registered in England (Company Number 03226004). The subsidiary is used for non-primary purpose trading activities.

Its principal activity is the promotion and running of a lottery in aid of Farleigh and other hospices across the country.

All activities have been consolidated on a line by line basis in the statement of financial activities.

Available profits are gift aided to the charitable company.

A summary of the results of the subsidiary is shown below:

Local Hospice Lottery Ltd.	2024	2023
	£000	£000
Turnover	13,998	12,259
Direct costs	(2,890)	(2,823)
Gross profit	11,108	9,436
Administrative expenses	(1,606)	(1,335)
Donation to other hospices	(8,146)	(6,884)
Licence Fees to other hospices	(131)	(125)
Operating profit	1,225	1,092
Interest receivable	50	9
Profit on ordinary activities	1,275	1,101
Donation to parent undertaking	(1,207)	(1,022)
Retained profit for the financial year	68	79
The aggregate of the assets, liabilities and funds was:		
Assets	3,041	2,684
Liabilities	(2,973)	(2,605)
Funds	68	79

15 Subsidiary undertakings (Farleigh Supplies Limited)

The charitable company owns the whole of the issued ordinary share capital of **Farleigh Supplies Limited** (Company number: 02576518), a company registered in England. The subsidiary is used for non-primary purpose trading activities.

Its principal activity is the buying and selling on of new goods primarily to Farleigh Hospice.

All activities have been consolidated on a line by line basis in the statement of financial activities.

Available profits are gift aided to the charitable company.

A summary of the results of the subsidiary is shown below:

Farleigh Supplies Limited	2024 £000	2023 £000
Turnover	49	41
Cost of sales	(43)	(35)
Gross profit	6	6
Administrative expenses	(20)	(13)
Other operating income - gift aid commission	21	17
Profit on ordinary activities	7	10
Donation to parent undertaking	-	-
Retained profit for the financial year	7	10
The aggregate of the assets, liabilities and funds was:		
Assets	21	18
Liabilities	(14)	(8)
Funds	7	10

16 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024	2023
	£000	£000
Gross income	14,087	11,366
Result for the year	(476)	(698)

17 Stock

	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
Goods for resale	9	11	-	-
	9	11	-	-

18 Debtors

	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
Taxation recoverable	110	86	110	86
Other debtors	497	489	313	333
Prepayments	458	344	352	276
Accrued income	166	396	166	396
Group undertakings	-	-	16	29
	1,231	1,315	957	1,120

19 Investments

	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
Cash on deposit more than three months	3,264	1,863	2,011	1,863
	3,264	1,863	2,011	1,863

20 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
Trade creditors	1,414	983	681	401
Taxation and social security	208	194	160	146
Other creditors	234	224	191	189
Accruals	308	272	241	206
Group undertakings	-	-	5	2
Deferred income	2,176	1,943	96	91
	4,340	3,616	1,374	1,035

21 Deferred income

Deferred income relates to monies received for events, services and lottery draws that are yet to take place.

	The group		The charity	
	2024	2023	2024	2023
	£000	£000	£000	£000
Balance at the beginning of the year	1,943	1,550	91	26
Amount released to income in the year	(1,943)	(1,548)	(91)	(24)
Amount deferred in the year	2,176	1,941	96	89
Balance at the end of the year	2,176	1,943	96	91

22 Pension scheme

Further details of the Farleigh Hospice pension schemes are given in note 1r. At the year end there were 60 (2023: 57) members of the NHS scheme and there were 236 (2023:213)

members of the other arrangements. All contributions relating to 2023/24 were paid over to the relevant providers by the end of April 2024.

23 Analysis of group net assets between funds 2024

	General funds £000	Designated funds £000	All Restricted funds £000	Total funds £000
Tangible fixed assets	-	3,576	2,172	5,748
Investments	2,114	-	398	2,512
Net current assets	4,427	212	126	4,765
Net assets at the end of the year	6,541	3,788	2,696	13,025

23 Analysis of group net assets between funds 2023

	General funds £000	Designated funds £000	All Restricted funds £000	Total funds £000
Tangible fixed assets	-	3,583	2,244	5,827
Investments	1,972	-	377	2,349
Net current assets	4,928	212	203	4,343
Net assets at the end of the year	6,900	3,795	2,824	13,519

24 Movements in funds 2024

	At the start of the year £000	Incoming resources and gains £000	Outgoing resources and losses £000	Transfers £000	At the end of the year £000
Restricted endowment funds:					
[A] New Farleigh Fund	1,667	-	(57)	-	1,610
[B] Lantern Suite Fund	474	-	(13)	-	461
[C] Big Lottery Fund	103	-	(2)	-	101
[D] Walter Farthing Fund - Permanent	377	21	-	-	398
	2,621	21	(72)	-	2,570
Restricted income funds:					
[E] Restricted legacy, donation and grant funds	90	71	(130)	-	31
[F] Farleigh Homecare Fund	4	-	-	-	4
[G] Friends of Farleigh	4	5	(7)	-	2
[H] Maldon Fund	105	-	(16)	-	89
	203	76	(153)	-	126
Total restricted funds	2,824	97	(225)	-	2,696
Unrestricted funds:					
Designated funds:					
[I] Fixed Asset Fund	3,583	-	(82)	75	3,576
[L] Farleigh in Maldon Fund	212	-	-	-	212
Total designated funds	3,795	-	(82)	75	3,788
[K] Unrestricted income funds - general reserves	6,900	26,743	(27,027)	(75)	6,541
Total unrestricted funds	10,695	26,743	(27,109)	-	10,329
Total Funds	13,319	26,840	(27,334)	-	13,025

All transfers relate to Fixed Assets which are reported as designated funds.

24 Movements in funds 2023

	At the start of the year £000	Incoming resources and gains £000	Outgoing resources and losses £000	Transfers £000	At the end of the year £000
Restricted endowment funds:					
[A] New Farleigh Fund	1,724	-	(57)	-	1,667
[B] Lantern Suite Fund	487	-	(13)	-	474
[C] Big Lottery Fund	105	-	(2)	-	103
[D] Walter Farthing Fund - Permanent	386	-	(9)	-	377
	2,702	-	(81)	-	2,621
Restricted income funds:					
[E] Restricted legacy, donation and grant funds	181	111	(202)	-	90
[F] Farleigh Homecare Fund	4	-	-	-	4
[G] Friends of Farleigh	3	9	(8)	-	4
[H] Maldon Fund	117	-	(12)	-	105
	305	120	(222)	-	203
Total restricted funds	3,007	120	(303)	-	2,824
Unrestricted funds:					
Designated funds:					
[I] Fixed Asset Fund	3,637	-	(80)	26	3,583
[L] Farleigh in Maldon Fund	212	-	-	-	212
Total designated funds	3,849	-	(80)	26	3,795
[K] Unrestricted income funds - general reserves	7,320	22,434	(22,828)	(26)	6,900
Total unrestricted funds	11,169	22,434	(22,908)	-	10,695
Total Funds	14,176	22,554	(23,211)	-	13,519

All transfers relate to Fixed Assets which are reported as designated funds.

Purposes of restricted funds

- [A] The New Farleigh Fund was set up specifically to fund the construction and equipping of the hospice building in Chelmsford.
- [B] The Lantern Suite Fund refers to funds raised to build and equip the Lantern suite extension to the hospice.
- [C] The Big Lottery Fund grant relates to the funding of a healing garden at the hospice.
- [D] The Walter Farthing Fund are endowed funds held to generate unrestricted income for general charitable purposes.
- [E] Farleigh Hospice receives a number of legacies, donations and grants that where the donors restrict their purposes. These are accounted for separately but collated for reporting purposes.
- [F] The Farleigh Homecare fund is set up to specifically support patients staying at home and is used for equipment purchases and hardship funding.
- [G] The Friends of Farleigh funds are those held directly by the Friends of Farleigh support group. Farleigh Hospice does not have direct access to these funds until they are paid across as a donation.
- [H] The restricted Maldon fund represents funds donated specifically for the refurbishment of running of the Maldon premises.

Purposes of designated funds

- [I] The Fixed Asset Fund represent funds which have been designated to cover the value of Fixed Assets.
- [J] The Members Guarantee Fund balance £235 (2023:£200) represents funds received in advance to cover the members liability if the charity was to be wound up.
- [L] The trustees have designated a specific fund to provide funding towards the refurbishment/running of the new day hospice premises in Maldon.

Purposes of unrestricted general funds

- [K] Unrestricted general funds are held to bridge the gap between income and expenditure and to cover any unplanned events.

25 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 £000	2023 £000
Net expenditure for the reporting period (as per the statement of financial activities)	(607)	(650)
Depreciation charges	154	152
Dividends and interest from investments	(308)	(89)
(Profit)/loss on the disposal of fixed assets	-	(31)
(Increase)/Decrease in stocks	2	(5)
Decrease/(increase) in debtors	84	958
Increase in creditors	724	642
Net cash provided by operating activities	49	977

26 Analysis of cash and cash equivalents

	At 1st April		At 31st March	At 1st April		At 31st
	2023	Cash flows	2024	2022	Cash flows	March 2023
	£000	£000	£000	£000	£000	£000
Cash at bank and in hand	1,961	(877)	1,084	1,486	475	1,961
Notice deposits (less than 3 months)	3,809	(292)	3,517	4,269	(460)	3,809
Total cash and cash equivalents	5,770	(1,169)	4,601	5,755	15	5,770

27 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2024	2023	2024	2023
	£000	£000	£000	£000
Less than one year	326	290	21	9
One to five years	813	716	57	-
Over five years	-	25	-	-
	1,139	1,031	78	9

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2024	2023	2024	2023
	£000	£000	£000	£000
Less than one year	262	238	21	9
One to five years	550	716	57	-
Over five years	-	25	-	-
	812	979	78	9

28 Capital commitments

There were no capital commitments at the balance sheet date. (2023: £30,000).

29 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £5. Members pay guarantee funds in advance and they are held in a separate designated fund.



Thank you.

It is because you care that we can



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