

Registered number: 01632714
Charity number: 284894

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Trustees' Report and Financial Statements
For the Year Ended 31 March 2023

The Friends of the Wisdom Hospice
(A company limited by guarantee)

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**Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 March 2023**

Trustees

Mr R Harris
Mrs S Fairbrace
Mrs M Barker
Mrs J Oliver
Mr R Coleman
Mr J Wootten (Resigned 17 November 2022)
Mrs V Webster
Mr A Gray
Mrs B Fisher

Honorary Vice-Presidents

Miss B Taylor
Mr J Mangan
Mrs T Sillars
Mr J Wootten
Mr R Coleman
Mr D Turner

Chief Executive

Mr M Reeves

Senior Management Team

Ms J Buck	Financial Controller
Mr J Hale-Brown	Head of Retail

Company registered number

01632714

Charity registered number

284894

Registered office

High Bank
Rochester
Kent, ME1 2NU

The Friends of the Wisdom Hospice

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**Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 March 2023**

Independent auditor

UHY Kent LLP t/a UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent, ME10 4BJ

Bankers

NatWest
148 High Street
Chatham
Kent, ME4 4DB

Lloyds Bank
142-146 High Street
Chatham
Kent, ME4 4DQ

Solicitors

Gullands Solicitors
16 Mill Street
Maidstone
Kent, ME15 6XT

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Trustees' report

For the year ended 31 March 2023

The Trustees (who are also the directors of the charitable company for the purposes of the Companies Act 2006) present their annual report together with the audited financial statements of the group and the charitable company for the year to 31 March 2023. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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)(second edition – October 2019)).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity is registered as a charitable company limited by guarantee.

The charitable company is constituted under a Memorandum of Association dated 22 February 1982 and is a registered charity, number 284894.

In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £5.

There have been no changes to the objects of the charitable company since the last annual report.

The charitable company has one subsidiary undertaking, Wisdom Hospice Support, which is a separate registered charity.

Method of appointment or election of Trustees

The group has ensured that the trustee body is constituted in accordance with the governing document. The directors of the charitable company are also charity trustees for the purposes of charity law and under the charitable company's Articles of Association are known as members of the Council of Management (Board of Trustees). At each Annual General Meeting one third of the directors must retire from office. Those to retire by rotation are those who have been longest in office since their last appointment.

At the forthcoming Annual General Meeting, in accordance with the Articles of Association, Sylvia Fairbrace and Andy Gray retire by rotation and being eligible, offer themselves for re-election.

At the end of March 2023, the number of current directors was eight. During the year one trustee resigned, namely Mr J Wootten resigned at the AGM on the 19th October 2022. It is not possible to have less than five or more than fifteen members of the Board of Trustees. Authority to appoint new directors rests with the charitable company but the directors may also appoint a person who is willing to be a director, in the recognition that this appointment would be approved by the members at their next Annual General Meeting.

The Trustees have taken care to ensure that the Board has the appropriate skills and knowledge to conduct the business of the group. As well as general business skills, the nature of the work they do requires that Trustees are able to bring with them experience and knowledge in many areas including finance and accountancy, HR and employment law. All Trustees have a common interest in promoting the needs of the Wisdom Hospice.

All members of the Council of Management give their time voluntarily and receive no benefits from the group.

There were no expenses reclaimed from the charitable company during the year.

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For the year ended 31 March 2023

Policies adopted for the induction and training of Trustees

All new Trustees receive an induction pack to acquaint themselves with the group and its aims and activities, management and governance and what is expected of them under charity law. Additionally, new Trustees are invited to meet with the Chairman and Chief Executive to learn more about their role and about the group's activities. Trustees are welcome to join in any training offered for staff.

Pay policy for senior staff

Salaries are reviewed annually by the Trustees, taking into account salaries paid for comparable roles in similar organisations. There are third party salary surveys of remuneration in the hospice sector and charities more generally which provide helpful input to this process.

Organisational structure and decision making

During the year under review, the Board of Trustees met on seven occasions and are responsible for the strategic direction and policy of the group. The Chief Executive attends board meetings but has no voting rights. The board delegates the day to day responsibility of the running of the group to the Chief Executive who is responsible for ensuring that the group's financial targets are met and also that all employees continue to develop their skills and working practice in line with good practice and innovative ways of fundraising. The Chief Executive is ably assisted by the Financial Controller in his responsibilities.

The Board has continued to operate the Audit & Investment subcommittee. Subcommittees allow Trustees to monitor and review the activities of the charity between formal board meetings.

The key management personnel of the charitable company comprise the Trustees and the Chief Executive.

The Trustees who served in the year are as follows:

Trustee Directors	Role	Committee
Mr R Harris	Chairman	A,B
Mrs S Fairbrace		B
Mrs M Barker		B
Mr R Coleman		A,B
Mr J Wootten (Resigned 19 th October 2022)		A,B
Mrs V Webster		B
Mr A Gray		B
Mrs B Fisher		A,B
Mrs J Oliver		B

Committees

A - Audit & Investment

B - Board

Related party relationships

The group operates shops selling donated goods through its subsidiary company, Wisdom Hospice Support. The Trustees receive regular operational reports about the subsidiary's performance.

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Risk management

The Trustees have assessed the major risks to which the group is exposed, in particular those related to the operations and finances of the group. This involved identification of the types of risk the group faces and prioritising them in terms of potential impact and likelihood of occurrence and identifying and tracking the progress of measures to manage them. The ongoing risks associated with the aftermath of COVID-19 pandemic were considered as part of the assessment as were the risks related to the ongoing Cost of Living Crisis.

The principal risks identified are:

Risk identified	Strategy to mitigate risk
Decline in reserves from an excess of expenditure over income.	Recruiting and training staff and Trustees to develop funding and promotional strategies.
Ability to build sustainable and predictable income to meet funding demands and ensure long term sustainability.	Establishing a prudent and sustainable expenditure plan to maintain reserves at sufficient levels to maintain solvency.
Competition for donations and the group's profile relative to other charities especially during the period of the cost of living crisis.	Developing and implementing a Strategic Plan for the period 2023 to 2025.
Possible financial cuts made by the National Health Service towards the running of the hospice in addition increases in demand for end of life hospice services which could lead to the charitable company to increase its payments to maintain hospice services at their current or required levels.	

The Board has continued to consider the risks that the charity is exposed to maintaining an up-to-date Risk Register which will be regularly reviewed to ensure risks are managed effectively.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The group's purposes are set out in the 'Objects' clause contained in the charitable company's Memorandum of Association. The principal object of the group is to promote the relief of suffering and treatment of illness. The aim of the group is to maintain an annual grant to Medway Community Healthcare to not only ensure that the current services are maintained but, where possible, to continually improve upon these services.

The group's main objective and focus for their work during the 2022/23 financial year was to continue to promote and support The Wisdom Hospice.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on the public benefit when reviewing the charitable company's aims and objectives and in the planning of future activities.

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For the year ended 31 March 2023

Strategies for achieving objectives

The charitable company works to a detailed budget which is closely monitored and reported on to the Trustees, with a view to trying to ensure that fundraising targets are achieved, and expenditure is managed efficiently.

The Chairman and Chief Executive attend regular meetings of South East Hospices also attended by Hospice UK. In addition, the Chief Executive attends a variety of networks both regionally and nationally in an effort to share best practice, discuss innovation and benchmark the group's activities.

Activities for achieving objectives

In setting plans for the group, the Trustees give consideration to the Charity Commission's general guidance on public benefit and, in particular, to the public benefit of providing support for the relief of ill-health.

How our activities deliver public benefit

The Wisdom Hospice provides specialist palliative care and support to the adult population of Medway and Swale, a population of over 400,000. These services are open and free to all members of the public, and they support patients both at the hospice and within their own homes.

The group supports these services with an annual grant to the hospice which adds significantly to the public benefit, making facilities available which would otherwise not be possible on the NHS budget alone.

All expenditure by the group is reviewed against the public benefit principles and the Trustees ensure these expenses represent an appropriate use of charitable funds.

Volunteers

The Trustees are grateful for the unstinting efforts of the volunteers who are involved in service provision, charity shops and fundraising. The charitable company saw an increase in volunteer donated hours during this year to 24,967 hours (2022: 17,371 hours). The charitable company has a volunteer coordinator to ensure that best value is derived from the sterling efforts of our volunteers.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Donations and legacies

Overall income from donations and legacies decreased in the year under review by £77,429 to £446,561 (2022: £523,990). This was primarily as a result of a reduction in legacy income of £51,658 which totalled £185,136 for the year to 31 March 2023 (2022: £236,794). Income from donations was also reduced, totalling £261,425 for the year ended 31 March 2023 (2022: £272,568).

Fundraising

Overall fundraising income in the year under review increased by £49,854 to £622,122 (2022: £572,268). This was due to the increased sales of donated goods of £382,312 (2022: £322,720) and lottery income of £142,671 (2022: £139,735). General fundraising income was reduced to £90,863 (2022: £104,063).

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Shops

The group operates four high street shops in Sittingbourne, Chatham, Rochester and Sheerness town centres as well as an online shopping platforms. In December 2022, the new Sheerness High Street shop opened.

Trading has continued to be positive with income performing above budgeted amounts. Donation volumes were maintained as was the quality which is of a high standard. eBay too has seen an uplift in trading in the last year. Maintaining and the recruitment of volunteers has been a challenge. We are so grateful to all our volunteers for the commitment they have shown and their hard work for the charity.

Lottery

The lottery continued to be a success. Initially, as a result of the COVID pandemic, player numbers reduced as a number chose to cancel their subscriptions. This reduction in players was below what was expected however, this year player numbers were affected by the Cost of Living Crisis. The lottery provider continues to work hard to maintain player numbers.

Investment policy and performance

The charitable company has a low-risk investment policy. The value of its investments has reduced during the year under review, increasing from £1,242,312 at 31 March 2022 to £1,093,733 at 31 March 2023.

Due to pressures on cash flow during the year the charitable company withdrew £100,000 from the investments. The groups investments were rebalanced during the year and are under regular review by the group's investment managers.

Hospice Grant

The charitable company increased its annual grant to the hospice during the year to £724,092 (2022: £689,677) at the request of Medway Community Healthcare.

Factors relevant to achieve objectives

The charitable company monitors the return on invested time and expenses on all its events with a view to ensuring returns are maximised.

FINANCIAL REVIEW

Going concern

After making appropriate enquiries and in particular taking account of the aftereffects of the COVID-19 pandemic and the Cost of Living Crisis, the Trustees have a reasonable expectation that the charitable company and the group have adequate resources to continue in operational existence for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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COVID-19 and Cost of Living Crisis – ongoing challenges

The charitable company continues to experience the wide-ranging of COVID-19 as there is the long-term impact on both the UK and global economies. More recently the effects of the cost of living crisis have also influenced the charitable operations of the organisation. Income generation and fundraising will continue to be a challenge for the foreseeable future. The groups priority is to maintain its financial support of the Wisdom Hospice at planned budgeted levels.

Cash flow and income forecasts are carried out regularly for both the short term and long-term views, taking into account these ongoing challenges. The Trustees are satisfied that the group has the financial and other resources it needs to overcome the challenges ahead.

Reserves policy

The Wisdom Hospice is run by Medway Community Healthcare (MCH) within the NHS and its operational and funding structure is determined accordingly. Representatives of the Trustees meet regularly with MCH. The Chief Executive meets with representatives of the Kent and Medway Integrated Care Board (ICB) in order to understand the financial requirements of MCH including any particular needs they may have and how the ongoing NHS reorganisation process impacts on the group's activities.

Further developments will continue as the Integrated Care Systems, Integrated Care Boards and the Kent and Medway Health and Care Partnership continue to become established. It is hoped that these developments will simplify and rationalise engagement with the commissioning body.

The Trustees take account of these issues as they strive to maintain the group's reserves at a level which they deem appropriate to ensure the group can meet its objectives in the prevailing circumstances over the medium and long term.

This year's deficit has led to a reduction in reserves of £306,013 (2022: £99,427).

The unrestricted reserves as at the year-end were £1,884,734 (2022: £2,190,775) and the unrestricted reserves after removing tangible fixed assets as at the year-end were £1,529,321 (2022: £1,857,952). The Trustees regard these as appropriate levels in the current circumstances with reference to the policy set out above.

The Trustees continually look for opportunities to spend restricted reserves in accordance with the restrictions thereon in pursuit of the group's objectives.

The restricted reserves as at the year-end were £2,474 (2022: £2,446).

Material investments policy

Under the Memorandum and Articles of Association, the group has the power to make any investment which the Trustees see fit, subject to such conditions (if any) and such consents (if any) as may be imposed or required by law. The Trustees are mindful of the recommendation of the Charity Commission with regard to the management of their investments. The Audit and Investment Committee has been set up to focus on investments in line with the group's Statement of Investment Principles, which is under regular review.

No investment is knowingly made directly in tobacco related products or in any other products known to be injurious to health. Where any investments are discovered to be in breach of this policy, action is taken to correct the position and reported to the Trustees.

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PLANS FOR FUTURE PERIODS

Future developments

As the charitable company adapts to the changing environment influencing fundraising events, the charitable company continues to follow its strategy which takes into account short, medium and long term aims.

The groups focus continues with three broad themes

- To achieve and maintain fundraising and income targets in line with agreed budgets
- To identify innovative ways of generating income
- Overall to improve communications and marketing with all stakeholders

The Trustees are developing a strategic plan from 2023 to 2025 which will advance the charitable company to continue to develop their charitable operations to increase income and profile of the group and will continue to review and enhance their current initiatives. The group will examine, evaluate, and innovate fundraising events and income generation in keeping with the ethos of the group.

The Trustees will continue to maintain and develop beneficial working relationships with the Wisdom Hospice and Medway Community Healthcare.

Information on fundraising practices

The charitable company receives financial support from its donors across a wide range of events and activities and the Trustees are very grateful to these donors for their generosity. Donations are acknowledged with a letter of thanks from the Chief Executive or a phone call when appropriate in recognition of significant donations or actions. The charitable company regards its relationships with donors and supporters as highly important and it prides itself on those it has built over many years of fundraising.

The fundraising team looks to be innovative with its events so as to maintain maximise income and supporter engagement and to inspire the next generation of donors and supporters.

The charitable company carries out its fundraising in a fair and responsible way and ensures that funds raised are spent effectively to bring maximum benefit to the patients and relatives connected with The Wisdom Hospice. Its regular newsletters and website share the latest news of achievements and reinforce its gratitude to donors. The charitable company also ensures that donors have control over how they communicate with it.

The charitable company strives to ensure that its fundraising is conducted to the highest level of quality and safety. Fundraisers and partners are trained to comply with best practices and procedures – particularly in protecting individuals who may be in vulnerable circumstances. The approach is donor focussed and designed to ensure that donors enjoy and benefit from their engagement with the charitable company. The Friends of the Wisdom Hospice is registered with the Fundraising Regulator.

The charitable company has partnered with Your Hospice Lottery (YHL) who are contracted to promote its lottery. The charitable company works closely with YHL, who act in accordance with the high standards that both the charitable company and the public expect. The charitable company's Chief Executive inducts all new lottery fundraisers to ensure that the standards and obligations required are understood and met in their fundraising activities. Feedback is sought from players about their lottery experience, allowing the charitable company to maintain standards and, where relevant, to instigate any required improvements to fundraising practices.

Wisdom Hospice Support receives a variety of donations of goods for sale in its shops. The Trustees are very grateful for these donations, and they look to retain the support of the donors to the shops for many years to

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For the year ended 31 March 2023

come. Wisdom Hospice Support staff and volunteers are trained to comply with best practices and procedures in order to ensure that donors and customers have a positive experience in their dealings with it. The charitable group complies with the General Data Protection Regulation (GDPR) and follows the Information Commissioner's guides and code. Whilst it strives to perform to the highest standards in everything it does, it may not always get it right. Should a complaint be received, it will be fully investigated, and efforts will be made to correct any shortcomings highlighted. The charitable group received no significant complaints during the year under review.

The Trustees recognise the importance of the reputation of the charitable group in maintaining the trust and confidence of its donors and this principle sits at the heart of all of its activities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 including guidance issued for the Implications of COVID-19 control measures and charity financial reporting;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation;

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

Disclosure of information to auditor

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

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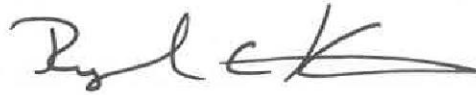
**Trustees' report
For the year ended 31 March 2023**

Auditor

The auditor, UHY Hacker Young has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at the forthcoming AGM.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

This report was approved by the Trustees on *6/9/23* and signed on their behalf by:



Mr R Harris, Chairman to the Trustees

Independent Auditors' Report to the Members of The Friends of the Wisdom Hospice

Opinion

We have audited the financial statements of The Friends of the Wisdom Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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Independent Auditors' Report to the Members of The Friends of the Wisdom Hospice (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Independent Auditors' Report to the Members of The Friends of the Wisdom Hospice (continued)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities, including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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Independent Auditors' Report to the Members of The Friends of the Wisdom Hospice (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Kent LLP

Allan Hickie BSc FCA (Senior statutory auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: *12 September 2023*

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	446,426	135	446,561	523,990
Other trading activities	5	622,122	-	622,122	572,268
Investments	6	4,599	-	4,599	498
Other income	7	-	-	-	64,383
Total income		1,073,147	135	1,073,282	1,161,139
Expenditure on:					
Raising funds	8	614,103	107	614,210	545,845
Charitable activities		724,092	-	724,092	689,677
Total expenditure		1,338,195	107	1,338,302	1,235,522
Net (expenditure)/income before net losses on investments		(265,048)	28	(265,020)	(74,383)
Net losses on investments		(40,993)	-	(40,993)	(25,044)
Net movement in funds		(306,041)	28	(306,013)	(99,427)
Reconciliation of funds:					
Total funds brought forward		2,190,775	2,446	2,193,221	2,292,648
Net movement in funds		(306,041)	28	(306,013)	(99,427)
Total funds carried forward	19	1,884,734	2,474	1,887,208	2,193,221

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

The notes on pages 20 to 40 form part of these financial statements.

The Friends of the Wisdom Hospice
(A company limited by guarantee)
Registered number: 01632714

Consolidated Balance Sheet
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	355,413	332,823
Investments	14	1,093,733	1,242,312
		<u>1,449,146</u>	<u>1,575,135</u>
Current assets			
Stocks	15	11,424	10,144
Debtors	16	242,941	121,702
Cash at bank and in hand		296,801	584,441
		<u>551,166</u>	<u>716,287</u>
Creditors: amounts falling due within one year	17	(113,104)	(98,201)
Net current assets		<u>438,062</u>	<u>618,086</u>
Total net assets		<u><u>1,887,208</u></u>	<u><u>2,193,221</u></u>
Charity funds			
Restricted funds	19	2,474	2,446
Unrestricted funds	19	1,884,734	2,190,775
Total funds		<u><u>1,887,208</u></u>	<u><u>2,193,221</u></u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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


.....
Raymond Harris


.....
Barbara Fisher

Date: 6/9/23

The notes on pages 20 to 40 form part of these financial statements.

The Friends of the Wisdom Hospice
(A company limited by guarantee)
Registered number: 01632714

Charity Balance Sheet
As at 31 March 2023

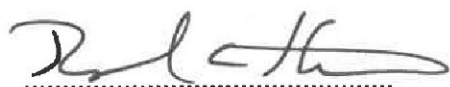
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	277,556	282,102
Investments	14	1,093,733	1,242,312
		<u>1,371,289</u>	<u>1,524,414</u>
Current assets			
Stocks	15	11,424	10,144
Debtors	16	244,017	43,824
Cash at bank and in hand		66,554	405,356
		<u>321,995</u>	<u>459,324</u>
Creditors: amounts falling due within one year	17	(87,991)	(76,024)
Net current assets		<u>234,004</u>	<u>383,300</u>
Total net assets		<u><u>1,605,293</u></u>	<u><u>1,907,714</u></u>
Charity funds			
Restricted funds	19	2,474	2,446
Unrestricted funds	19	1,602,819	1,905,268
Total funds		<u><u>1,605,293</u></u>	<u><u>1,907,714</u></u>


The Charity's net movement in funds for the year was £(302,421) (2022 - £(274,314)).

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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


.....
Raymond Harris


.....
Barbara Fisher

Date:

6/9/23

The notes on pages 20 to 40 form part of these financial statements.

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(358,507)	20,413
Cash flows from investing activities		
Dividends, interests and rents from investments	4,599	483
Purchase of tangible fixed assets	(42,003)	-
Purchase of investments	(854,070)	(1,888,199)
Proceeds from the sale of investments	1,051,401	1,899,375
Cash movement on investment account	(89,060)	1,401
Net cash provided by investing activities	70,867	13,060
Change in cash and cash equivalents in the year	(287,640)	33,473
Cash and cash equivalents at the beginning of the year	584,441	550,968
Cash and cash equivalents at the end of the year	296,801	584,441

The notes on pages 20 to 40 form part of these financial statements

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

1. General information

The Friends of the Wisdom Hospice is a charitable company limited by guarantee, incorporated in England and Wales. The company's registered number is 01632714. The address of the Charity's registered office and principal place of business is:

High Bank
Rochester
Kent
ME1 2NU

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)(second edition)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - January 2022) and the Companies Act 2006.

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

The directors consider that there are no key sources of estimation uncertainty, other than as set out in the accounting policies below:

2.2 Consolidation

These financial statements consolidate the accounts of The Friends of the Wisdom Hospice and its subsidiary, Wisdom Hospice Support.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements. The results of the Charity for the year ended 31 March 2023 are presented on page 11.

Exemption from the requirement to disclose transactions between the charity and its subsidiary company has been taken under section 33.1A of FRS 102 as the transactions occur between wholly owned members.

The Charity has taken advantage of the disclosure exemption permitted by FRS 102 of the requirements of Section 7, 'Statement of Cash Flows', to not disclose a charity-only Statement of Cash Flows.

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.3 Going concern

Accounting standards require the directors, who are the Trustees, to consider the appropriateness of the going concern basis when preparing the financial statements. On the basis of detailed projections of income, expenditure and cash flow prepared using appropriate assumptions, the Trustees have a reasonable expectation that the charitable company and the group will continue in operational existence for the foreseeable future. The directors believe this to be the case as the charitable group has positive reserves and cash balances. For this reason, the directors consider that the going concern basis remains appropriate and they continue to adopt it in preparing the annual financial statements.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken at the earlier of the date on which either: the charitable group is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charitable group that a distribution will be made; or when a distribution has been received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charitable group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charitable group, or the charitable group 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.

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

Lottery income is recognised upon the notification of each draw.

Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charitable company where this can be quantified and a third party is bearing the cost. No amounts are included in the Statement of Financial Activities for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or Deeds of Covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.5 Expenditure

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

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Government grants

Government grants relate to amounts received under the government Coronavirus Job Retention Scheme and local authority business support grants in respect of the coronavirus pandemic as well as CCG funding and are accounted for on an accruals basis. These are recognised in the SOFA as part of donations and legacies.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the year.

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Assets are capitalised at the Trustees' discretion, however all items costing more than £5,000 are always capitalised.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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

Depreciation is provided on the following basis:

Freehold property	-	2% straight-line
Long-term leasehold property	-	over the lease term
Fixtures and fittings	-	20% straight-line
Office equipment	-	20% straight-line

2.9 Investments

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

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

2.10 Stocks

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

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2. Accounting policies (continued)

2.13 Liabilities and provisions

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

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

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

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.15 Pensions

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

2.16 Fund accounting

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

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

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

2.17 Volunteers

The Trustees are grateful for the unstinting efforts of the volunteers who are involved in service provision, charity shops and fundraising. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not included in the financial statements.

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Legacy income accrual

Legacy income is recognised in accordance with the income recognition policy. In calculating the level of legacy accrual, management is required to exercise estimation and judgement, particularly in determining the amount and probability of receipt.

Changes in accounting estimates

The charity has taken the decision to change its accounting estimate in respect of the depreciation of land and buildings. Previously land, which is considered to have an infinite useful economic life under FRS102, had not been separately identified within this class of asset and the value of which had been depreciated at the same rate as freehold property. During the year the charity has made what it considers to be a reliable estimate in respect of the cost attributable to land. This has had the impact to reduce depreciation on land and buildings from £7,569 to £5,046.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	261,290	135	261,425	272,568
Legacies	185,136	-	185,136	236,794
Government grants	-	-	-	14,628
	446,426	135	446,561	523,990
<i>Total 2022</i>	523,590	400	523,990	

In the prior year, the charitable group received £3,961 under the Coronavirus Job Retention Scheme and £10,667 in local authority grants which was classified as government grants.

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising	90,860	90,860	104,062
Lottery income	142,671	142,671	139,735
Sales of merchandise	6,279	6,279	5,751
Sales of donated items	382,312	382,312	322,720
	<u>622,122</u>	<u>622,122</u>	<u>572,268</u>
<i>Total 2022</i>	<u>572,268</u>	<u>572,268</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Dividends and interest received	4,599	4,599	498
	<u>498</u>	<u>498</u>	
<i>Total 2022</i>	<u>498</u>	<u>498</u>	

7. Other income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Insurance claims received	-	-	64,383
	<u>64,383</u>	<u>64,383</u>	
<i>Total 2022</i>	<u>64,383</u>	<u>64,383</u>	

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fundraising costs	250,257	107	250,364	211,509
Portfolio management fees	12,920	-	12,920	13,044
Purchase for resale	1,895	-	1,895	4,155
Fundraising staff costs - wages and salaries	308,025	-	308,025	278,529
Fundraising staff costs - social security costs	21,107	-	21,107	18,565
Fundraising staff costs - pension costs	7,272	-	7,272	7,106
Depreciation	12,627	-	12,627	12,937
	614,103	107	614,210	545,845
<i>Total 2022</i>	<i>545,845</i>	<i>-</i>	<i>545,845</i>	

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising costs			
Rent, rates and utilities	110,296	110,296	85,520
Staff welfare, training and entertainment	2,024	2,024	2,300
Recruitment costs	1,757	1,757	1,144
Travel expenses	1,998	1,998	766
Repairs and renewals	4,243	4,243	2,286
Professional fees	850	850	-
Audit and accountancy fees	18,677	18,677	11,935
Fundraising expenses and event costs	48,690	48,690	48,883
IT and office costs	28,855	28,855	25,981
Insurance	10,794	10,794	10,741
Subscriptions	2,338	2,338	2,478
Bank charges	11,782	11,782	9,378
Depreciation	(23,366)	(23,366)	9,012
Sundry costs	1,273	1,273	1,085
Total 2023	220,211	220,211	211,509

9. Analysis of expenditure by activities

	Grant funding of activities 2023 £	Total funds 2023 £	Total funds 2022 £
Medway Community Healthcare	724,092	724,092	689,677
Total 2022	689,677	689,677	

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £11,200 (2022 - £11,935).

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

11. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	308,025	278,529	163,296	165,232
Social security costs	21,107	18,565	11,383	11,340
Contribution to defined contribution pension schemes	7,272	7,106	4,770	5,109
	336,404	304,200	179,449	181,681

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

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Fundraising	4	4	4	4
Support	3	3	3	3
Shop	7	7	-	-
	14	14	7	7

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees consider themselves, the Chief Executive Officer and the Financial Controller as comprising the key management personnel of the Group. Total employee benefits (including social security costs and employer's pension contributions) for the year ended 31 March 2023 was £93,246 (2022: £82,660).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

13. Tangible fixed assets

Group

	Freehold property £	Leasehold costs £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2022	378,448	8,596	113,714	7,213	507,971
Additions	-	1,760	38,002	2,241	42,003
At 31 March 2023	378,448	10,356	151,716	9,454	549,974
Depreciation					
At 1 April 2022	98,029	6,077	65,512	5,530	175,148
Charge for the year	5,046	919	11,707	1,741	19,413
At 31 March 2023	103,075	6,996	77,219	7,271	194,561
Net book value					
At 31 March 2023	275,373	3,360	74,497	2,183	355,413
At 31 March 2022	280,419	2,519	48,202	1,683	332,823

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

13. Tangible fixed assets (continued)

Charity

	Freehold property £	Office equipment £	Total £
Cost			
At 1 April 2022	378,448	7,213	385,661
Additions	-	2,241	2,241
At 31 March 2023	378,448	9,454	387,902
Depreciation			
At 1 April 2022	98,029	5,530	103,559
Charge for the year	5,046	1,741	6,787
At 31 March 2023	103,075	7,271	110,346
Net book value			
At 31 March 2023	275,373	2,183	277,556
At 31 March 2022	280,419	1,683	282,102

14. Fixed asset investments

Group and Charity	Listed investments £	Portfolio cash held by investment manager £	Total £
Valuation			
At 1 April 2022	1,181,022	61,290	1,242,312
Additions	854,070	201,691	1,055,761
Disposals	(1,051,401)	(111,930)	(1,163,331)
Revaluations	(41,009)	-	(41,009)
At 31 March 2023	942,682	151,051	1,093,733

The historic cost of listed investments at 31 March 2023 was £1,061,107 (2022: £1,061,107).

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

Investments comprise the following:

	2023	2022
	£	£
Equities (listed)	650,937	528,052
Fixed interest	209,328	428,667
Balanced management fund	-	162,390
Cash	151,051	61,290
Alternative investments	82,417	61,913
	1,093,733	1,242,312

All fixed asset investments are held in the UK.

15. Stocks

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Finished goods and goods for resale	11,424	10,144	11,424	10,144

16. Debtors

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Due within one year				
Amounts owed by group undertakings	-	-	40,000	685
Other debtors	12,209	59,986	831	3,220
Prepayments and accrued income	230,732	61,716	203,186	39,919
	242,941	121,702	244,017	43,824

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

17. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade creditors	83,391	75,607	67,253	58,849
Other taxation and social security	6,593	5,055	6,593	5,055
Other creditors	5,123	4,169	1,836	2,335
Accruals and deferred income	17,997	13,370	12,309	9,785
	113,104	<i>98,201</i>	87,991	<i>76,024</i>

18. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	1,093,733	<i>1,242,312</i>	1,093,733	<i>1,242,312</i>

Financial assets measured at fair value comprise listed investments.

The Friends of the Wisdom Hospice
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds	2,190,775	1,073,147	(1,338,195)	(40,993)	1,884,734
Restricted funds					
D Hoskins fund	200	-	-	-	200
Mrs Jameson fund	440	-	(72)	-	368
R Watts fund	1,133	-	-	-	1,133
L Avery fund	133	-	-	-	133
L Humphreys fund	50	-	-	-	50
D Swatton fund	350	-	(35)	-	315
Linda Richards Art Therapy	140	-	-	-	140
P Humphreys fund	-	100	-	-	100
Curry's Sittingbourne	-	35	-	-	35
	2,446	135	(107)	-	2,474
Total of funds	2,193,221	1,073,282	(1,338,302)	(40,993)	1,887,208

19. Statement of funds (continued)

Restricted funds

The Linda Richards Art Therapy fund is to be used for art therapy.

The D Hoskins fund is used to fund the ward within the hospice.

The Mrs Jameson fund is to be used for the development of the wards.

The R Watts fund is to be used for nursing training.

The L Avery fund is to be used for the development of the outside space at the hospice.

The L Humphreys fund is to be used for time for patients with a nurse.

The D R Swatton fund is to be used for tea and cakes for staff.

The Curry's Sittingbourne fund is to be used to purchase headphones for patient beds.

The P Humphreys fund is to be used for nurses on the ward at the hospice.

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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For the Year Ended 31 March 2023

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds - all funds	2,290,603	1,160,739	(1,235,523)	(25,044)	2,190,775
Restricted funds					
D Hoskins fund	200	-	-	-	200
Mrs Jameson fund	440	-	-	-	440
R Watts fund	1,133	-	-	-	1,133
L Avery fund	133	-	-	-	133
L Humphreys fund	-	50	-	-	50
D Swatton fund	-	350	-	-	350
Linda Richards Art Therapy	140	-	-	-	140
	2,046	400	-	-	2,446
Total of funds	2,292,649	1,161,139	(1,235,523)	(25,044)	2,193,221

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	2,190,775	1,073,147	(1,338,195)	(40,993)	1,884,734
Restricted funds	2,446	135	(107)	-	2,474
	2,193,221	1,073,282	(1,338,302)	(40,993)	1,887,208

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20. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
General funds	2,290,603	1,160,739	(1,235,523)	(25,044)	2,190,775
Restricted funds	2,046	400	-	-	2,446
	<u>2,292,649</u>	<u>1,161,139</u>	<u>(1,235,523)</u>	<u>(25,044)</u>	<u>2,193,221</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	355,413	-	355,413
Fixed asset investments	1,093,733	-	1,093,733
Current assets	548,692	2,474	551,166
Creditors due within one year	(113,104)	-	(113,104)
Total	<u>1,884,734</u>	<u>2,474</u>	<u>1,887,208</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	332,823	-	332,823
Fixed asset investments	1,242,312	-	1,242,312
Current assets	713,841	2,446	716,287
Creditors due within one year	(98,201)	-	(98,201)
Total	<u>2,190,775</u>	<u>2,446</u>	<u>2,193,221</u>

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Notes to the Financial Statements
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22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(306,013)	(99,427)
Adjustments for:		
Depreciation charges	19,413	21,949
Gains on investments	40,993	25,044
Dividends, interests and rents from investments	(4,599)	(498)
Increase in stocks	(1,280)	(6)
Decrease/(increase) in debtors	(167,939)	67,611
Increase in creditors	54,218	5,740
Net cash provided by/(used in) operating activities	(365,207)	20,413

23. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	296,801	584,441
Total cash and cash equivalents	296,801	584,441

24. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	584,441	(287,640)	296,801
	584,441	(287,640)	296,801

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25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £1,261 (2022: 970) were payable to the fund at the balance sheet date and are included in creditors.

26. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	66,699	72,511	2,011	2,011
Later than 1 year and not later than 5 years	182,928	180,114	2,011	3,010
Later than 5 years	85,521	41,146	-	-
	335,148	293,771	4,022	5,021

27. Other financial commitments

The Friends of the Wisdom Hospice Limited act as a guarantor under an agreement dated 13 June 2013 in respect of a lease on shop premises in Sittingbourne, Kent. As guarantors they are liable for all obligations by virtue of the lease. The annual rent is £25,750, the lease is for 10 years.

The Friends of the Wisdom Hospice Limited act as a guarantor under an agreement dated 22 November 2016 in respect of a lease on shop premises in Chatham, Kent. As guarantors they are liable for all obligations by virtue of the lease. The annual rent is £25,000, the lease is for 10 years with a break clause after 5 years.

The Friends of the Wisdom Hospice Limited act as a guarantor under an agreement dated 2 May 2019 in respect of a lease on shop premises in Rochester, Kent. As guarantors they are liable for all obligations by virtue of the lease. The annual rent is £19,750, the lease is for 10 years with a break clause after 5 years.

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £5 for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

The Charity has not entered into any related party transactions during the year requiring disclosure under the Charities SORP FRS 102.