

THE PRIMROSE HOSPICE LIMITED

England & Wales · Charity number 700272

Details

Other names PRIMROSE

Status Registered

Legal form Charitable company

Company number [02211941](#)

Registered 1988-05-23

Register [View on the Charity Commission register](#)

Contact

Address The Primrose Hospice
St. Godwalds Road
Bromsgrove
B60 3BW

Phone 01527871051

Email info@primrosehospice.org

Website www.primrosehospice.org

Activities

Objects: THE ADVANCEMENT OF HEALTH FOR THE PUBLIC BENEFIT BY MAINTAINING A HOSPICE AND SERVICES FOR THE RELIEF OF PAIN, THE TREATMENT OF SYMPTOMS AND THE SPIRITUAL WELFARE OF THOSE REQUIRING PALLIATIVE CARE

Activities: We offer clinical care, support and advice to adults with cancer and other life limiting illness from North East Worcestershire area. In addition, we offer support and advice to the families, carers and friends of patients and a bereavement counselling service that is BACP accredited.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, Other Defined Groups

Geography

- **Area of benefit:** COUNTY OF HEREFORD AND WORCESTER
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,903,362	£1,996,457	£3,648,687	53
2024-03-31	£1,787,877	£1,995,691	£3,741,782	51
2023-03-31	£2,188,541	£1,817,842	£3,949,596	50
2022-03-31	£1,729,730	£1,670,445	£3,578,897	49
2021-03-31	£1,986,498	£1,504,825	£3,519,612	49

Trustees

Name	Role	Appointed
Rodney James Laight	Chair	2016-12-14
Carole Ann Lesley Roberson		2020-11-24
Daniela Locke		2019-04-01
Dr Brian Cooper		2018-10-01
Dr Simon John Parkinson		2025-06-02
Jo-Anne Till		2024-04-08
Joanne Baldwin		2015-06-01
Kimara Jayne Sharpe		2024-04-08
Mark Warren Duncan		2019-04-01
Michael John Andrew Webb		2020-01-13
Natalie Pejovic		2026-01-12
Rachel Mary Watts		2024-04-08
Richard Alan Cattell		2024-04-08

THE PRIMROSE HOSPICE LIMITED

England & Wales - Charity number 700272

Accounts

Registered number: 02211941
Charity number: 700272

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees J Baldwin
R Cattell (appointed 8 April 2024)
L Chapman
B Cooper
M Duncan
A Haden (appointed 8 April 2024)
R Laight
D Locke
M Mushen (resigned 7 October 2024)
S Parkinson (appointed 2 June 2025)
O Reynolds (appointed 8 April 2024)
C Roberson
K Sharpe (appointed 8 April 2024)
J Till (appointed 8 April 2024)
R Watts (appointed 8 April 2024)
M Webb

**Company registered
number** 02211941

**Charity registered
number** 700272

Registered office Primrose Hospice
St. Godwalds Road
Bromsgrove
Worcestershire
B60 3BW

Company secretary A Dalton

Chief executive officer D Burrell

Independent auditors Bishop Fleming Audit Limited
Chartered Accountants
1-3 College Yard
Worcester
WR1 2LB

Bankers Lloyds Bank plc
112 High Street
Bromsgrove
Worcestershire
B61 8ES

Solicitors HCB Solicitors Ltd
Redditch Office
Croft House
Moons Moat Drive
Redditch
Worcestershire
B98 9HN

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

On behalf of the Board of Trustees, I am pleased to present the Annual Report for Primrose Hospice for the year ending March 2025.

The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. 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 (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as "small" under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

Based in Bromsgrove, Primrose Hospice is an established and highly respected charity. It has served the population of North East Worcestershire since 1988.

In 2024/25 Primrose Hospice raised £1.90 million (£1.79 million in 2023/24) which includes an annual grant from the NHS. Around £1.55 million (£1.47 million in 2023/24) of the monies raised was achieved thanks to the generous support of local people and businesses. The money raised is spent on supporting people with life limiting illnesses and families during difficult and challenging times.

We need to proactively manage expenditure and income over the next few years to reduce our underlying deficit and return the organisation to financial balance. The Finance and Income Generation and General Matters Committee (FIGG) and the Board of Trustees approved actively managing income and expenditure whilst strategically drawing on reserves to improve services.

Significant progress was made during 2024/25 by increasing our income from retail and reducing costs by judicious review of vacant posts, voluntary hours reductions for some staff and an increased scrutiny of non-pay spend via an internal LEAN focus across the organisation.

The completed "Green and Sustainable" initiatives mean that we are now generating around 60% of our electricity from solar and Heating the building via Biomass thereby reducing our impact on the environment and significantly reducing our energy bills.

Objectives and activities

a. Policies and objectives

Primrose Hospice aims to work to support adults with life-limiting illnesses and families to offer a high quality and responsive service appropriate to the needs of an individual.

The objectives of Primrose Hospice are:

- To provide specialised palliative care for patients with progressive, advanced cancer and other diseases from which they will not recover, across the recognised domains of physical, psychological, social and spiritual care, thereby assisting patients to achieve quality in their daily living.
- To act as a point of liaison in issues of communication, ensuring patients and their families are involved in decisions concerning their care and treatment, allowing them to make informed choices.
- To provide information to patients and families, ensuring they have full knowledge of all the support services, financial benefits and aids they may require to achieve comfortable living.
- To provide emotional support to individuals (adult or child between the ages of 6 and 18) by the provision of trained volunteer support workers or counselling.

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

- To provide the opportunity for the patient and family to discuss their chosen place of care and eventual place of death, whether at home, in hospital or a nursing home.
- To provide supportive care for patients with life limiting illnesses by the provision of counselling, information and complementary therapies.
- In providing the above services, we are benefiting the individuals who avail themselves of these services, together with carers and families. Primrose Hospice makes no charge for any of its services.

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

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Whilst the Charity developed a clear 5 year strategy in 2018, this has been reviewed in 2022 following the covid outbreak and extended to 2026.

c. Activities undertaken to achieve objectives

At Primrose Hospice and Family Support Centre, we are privileged to be able to support patients with life-limiting illnesses and families experiencing bereavement, providing them with the care and support they need during the most difficult and challenging times.

We offer a wide range of services including Day Hospice, Clinical Nurse Specialist services, Physiotherapy, Family Support, Counselling and a Living Well Service.

Our Family Support and Living Well Team support patients and families through challenging times, offering a range of one-to-one sessions and group support for all ages; this includes a bereavement service. The team offers both practical assistance as well as an empathetic ear, providing advice for all the family and helping them to deal with the demanding situations that arise throughout their journey.

At Primrose Hospice we are also especially mindful of the impact on children, who do not always have the language or understanding to express how they feel. We understand that helping children to find creative and safe ways in which to express their feelings after someone special dies is hugely important.

The Clinical Team support patients living with life-limiting illnesses such as heart failure, lung conditions, cancer, neurological conditions and more.

Support is patient centred and based on individual need and diagnosis. The aim is to help patients manage their symptoms and aid decision making. As well as maximise independence and optimise quality of life through therapeutic assessment, goal setting and delivering an evidence-based treatment programme.

Achievements and performance

a. Key performance indicators

Primrose Hospice's priority has continued to be to provide care for those with life limiting illness and support for families regardless of whether their loved one was cared for by the Hospice.

Primrose Hospice's challenge continues to be to raise the funds to sustain our current services and respond to any increase in demand for our services.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

b. Review of activities

Primrose Hospice provides support to patients with life-limiting illnesses and families, providing them with the care and support they require during difficult times.

c. Investment policy and performance

There are no restrictions on the powers of the Trustees to invest the funds of Primrose Hospice. The current policy of the Trustees is to have regard to income requirements and any risks which have been identified and to retain any such funds as are required in short term bank deposit accounts. Primrose Hospice seeks to produce the best financial return within an acceptable level of risk. The investment objective for the short-term cash reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Trustees have reviewed the reserves of the charity, including the nature of the income and expenditure streams, the need to match variable income and fixed commitments and the nature of the reserves.

An investment policy was reviewed and updated at the Finance, Income Generation and General Matters Committee and Board in July 2023 and is due for further review in July 2026.

Funds totalling £356,829 have been designated for future essential projects including maintenance, security, replacement of equipment and sustainability. These are unrestricted funds and approval of Trustees was given at the Finance Income and General Matters Committee in July 2025.

A breakdown of funds designated by project is shown in the table below. This includes high cost maintenance projects but also funding to support the organisation to offset our carbon footprint. We are committed to achieving net zero on emissions by 2050.

Project	Total	Estimated / Quoted
EV Vehicles x 2	£60,990	Quoted
Electric Van	£60,839	Quoted
Roofing	£50,000	Estimated
Security	£10,000	Estimated
Garden Improvements	£10,000	Estimated
IT hardware	£40,000	Estimated
Building repairs / developments	£40,000	Estimated
Car Park Improvements	£20,000	Estimated
Green and Sustainable Further Work	£50,000	Estimated
Reception Area Improvements	£15,000	Estimated
TOTAL	£356,829	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. This has been reviewed and the Trustees are confident there are sufficient reserves to ensure the Hospice remains a going concern beyond March 2026. 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 (Note 2.2).

b. Reserves policy

The Trustees actively review the major risks which the Charity faces and believe that maintaining reserves at a level to cover 6 months operating costs, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The organisation aspires to have 6 months' reserves at any time (currently 11.40 months). Reserves actually increased slightly during 2024/25 so further expenditure to reduce reserves will be considered.

Whilst reserves are greater than the Charity aspires to in 'normal' times. There are risks around future income levels and a deficit budget was set during 2025/26, Trustees have approved setting a deficit budget and maintaining additional reserves (via FIGG and Trustee Board) as a prudent buffer in a time of uncertainty around future income for the Charity.

c. Financial review

The Balance Sheet shows designated, unrestricted and restricted reserves at £356,829, £1,900,144 and £1,391,714 respectively. In 2023/24 designated, unrestricted and restricted reserves were £380,829, £1,991,966 and £1,368,987 respectively.

Total incoming resources amounted to £1,903,362 (2023: £1,787,877). £314,150 of this was from statutory sources (£285,033 in 2024). For the other 83.49 % (84.06 % in 2024), Primrose Hospice remains heavily dependent on the generosity of our local community to support our retail shops, joint lottery and fundraising activities.

There was a deficit of £93,095 in 2025 (in 2024 the figure was a deficit of £207,814).

d. Principal funding

National Health Service Grants

Grant income from the NHS was £280,586, which equates to 14.74 % of the Hospice's total funding. Primrose Hospice ensures that the limited resources are used responsibly to provide the best care and support to our community.

Worcestershire Hospices Lottery

Worcestershire Hospices Lottery, a joint venture with Acorns Children's Hospice and St. Richard's Hospice, generated income of £76,258 (2024: £76,119) for the Hospice.

Donations (Charitable Trusts, Fundraising & other donations)

Donations in 2025 were £557,151 compared to £526,907 in 2024, i.e. 29.27% of income.

Legacies and In Memoriam

Legacies and In Memoriam were £176,105 compared to £181,581 in 2024; 9.25 % of income.

Trading Activities

The income generated by Primrose's 5 retail shops was £726,186 compared to £679,985 in 2024/25.

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

Structure, governance and management

a. Constitution

The Primrose Hospice is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The Primrose Hospice is constituted under a Trust deed and is a registered charity number 700272.

The Primrose Hospice is a charitable company limited by guarantee, incorporated on 20th January 1988, and entered on the Register of Charities on 23rd May 1988.

The Primrose Hospice was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount of £1 per member.

b. Methods of appointment or election of Trustees

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles, are known as members of the Board of Trustees. The Trustees when complete consist of at least seven and not more than twenty individuals over the age of 18, all of whom must support the Objects.

c. Organisational structure and decision making policies

The Board of Trustees administers the Charity. The Board meets at least 4 times a year and is responsible for the strategic direction and policy of the Charity.

The Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the Charity and attends the Board Meetings, alongside members of the Senior Leadership Team. To facilitate effective operations, the Chief Executive Officer has delegated authority for operational matters.

d. Policies adopted for the induction and training of Trustees

The Trustees have a formal induction process which covers all Primrose Hospice policies and procedures and covers the Trustee Code of Conduct, the Trustee declaration, Confidentiality agreement, Nolan 7 Principles, The Charity Commission's publication 'The Essential Trustee' The Hospice UK 20 minute guide and Mandatory Training as undertaken by all volunteers.

e. Pay policy for key management personnel

Salaries are reviewed to ensure resources are used as efficiently as possible. This, along with benchmarking against similar local charities and assessing the complexity of the role provides a fair and robust remuneration process.

f. Financial risk management

The Trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The Trustees and Senior Management Team plan to continue to deliver services for the Charity's clients, whilst managing other economic uncertainties on the Charity.

We will continue to enhance our services and increase utilisation where possible.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

The Board will take a cautious approach to any additional recurrent expenditure at present until the situation, particularly around income is clearer. Reserves are at higher than usual levels at present which will provide a buffer against any pending cost pressures.

Auditors

The auditors, Bishop Fleming Audit Limited, have indicated their willingness to continue in office. This matter will be discussed at the Finance Income and General Matters Committee.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, and signed on its behalf by:

R Laight
Trustee



Date: 6/10/25

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

R Laight
Trustee



Date:

6/10/25

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED

OPINION

We have audited the financial statements of The Primrose Hospice Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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:

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

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 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.

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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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

- We have considered the nature of the industry and sector, control environment and the Charity's performance;
- We have considered the results of our enquiries of management and the Trustees in relation to their own identification and assessment of the risk of irregularities
- For any matters identified we have obtained and reviewed the Charity's documentation of their policies and procedures relating to;
 - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
 - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We have obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS102 and the terms and conditions attaching to material grants received by the Charity. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These included the Health & Social Care Act, data protection regulations, health and safety regulations, employment legislation, the Code of Fundraising Practice and gambling legislation.

Our procedures to respond to the risks identified included the following:

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

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

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

**THE PRIMROSE HOSPICE LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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

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

USE OF OUR REPORT

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



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming Audit Limited

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 8 October 2025

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	624,789	137,651	762,440	708,488
Charitable activities	4	284,966	-	284,966	285,033
Other trading activities	5	814,220	-	814,220	762,113
Investments	6	41,736	-	41,736	32,243
Total income		1,765,711	137,651	1,903,362	1,787,877
Expenditure on:					
Raising funds	7	778,391	5,678	784,069	731,346
Charitable activities	8	1,103,142	109,246	1,212,388	1,264,345
Total expenditure		1,881,533	114,924	1,996,457	1,995,691
Net movement in funds		(115,822)	22,727	(93,095)	(207,814)
Reconciliation of funds:					
Total funds brought forward		2,372,795	1,368,987	3,741,782	3,949,596
Net movement in funds		(115,822)	22,727	(93,095)	(207,814)
Total funds carried forward		2,256,973	1,391,714	3,648,687	3,741,782

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

The notes on pages 16 to 34 form part of these financial statements.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02211941

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	1,827,627	1,897,202
Investments	14	100	100
		<u>1,827,727</u>	<u>1,897,302</u>
Current assets			
Debtors	15	247,672	260,692
Investments	16	524,251	-
Cash at bank and in hand		1,292,671	1,797,343
		<u>2,064,594</u>	<u>2,058,035</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(243,634)	(213,555)
		<u>1,820,960</u>	<u>1,844,480</u>
Net current assets			
		<u>3,648,687</u>	<u>3,741,782</u>
Total net assets			
Charity funds			
Restricted funds	18	1,391,714	1,368,987
Designated funds	18	356,829	380,829
General funds	18	1,900,144	1,991,966
Total unrestricted funds	18	<u>2,256,973</u>	<u>2,372,795</u>
Total funds		<u><u>3,648,687</u></u>	<u><u>3,741,782</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:

R Laight
Trustee



J Baldwin
Trustee



Date:

6/10/25

The notes on pages 16 to 34 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	21	15,697	22,898
Cash flows from investing activities			
Dividends, interests and rents from investments		41,736	32,243
Purchase of tangible fixed assets		(37,854)	(88,790)
Purchase of short term deposit accounts		(524,251)	-
Net cash used in investing activities		(520,369)	(56,547)
Change in cash and cash equivalents in the year		(504,672)	(33,649)
Cash and cash equivalents at the beginning of the year		1,797,343	1,830,992
Cash and cash equivalents at the end of the year	22	1,292,671	1,797,343

The notes on pages 16 to 34 form part of these financial statements

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

The Primrose Hospice is a private Charitable Company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Primrose Hospice, St. Godwalds Road, Bromsgrove, Worcestershire, B60 3BW.

The principal activity of the Charitable Company is as disclosed in the Trustees' report, starting on page 2.

The accounts are presented in GBP and are rounded to the nearest GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

2.2 GOING CONCERN

The Trustees have reviewed financial projection forecasts for a period of at least 18 months following the date of approval of the financial statements. Reserves and bank balances are both strong. The Charitable Company has a net asset value as at 31 March 2025 of £3,648,687 (2024: £3,741,782) with 9.78% of the reserves being held as designated funds and 52.08% of the reserves being held as general unrestricted funds. The freehold property has a net book value totalling £1,723,401 (2024: £1,805,476), short term investments of £524,251 (2024: £Nil) and the cash at bank of £1,292,671 (2024: £1,797,343).

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for this reason, the financial statements have been prepared on a going concern basis.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Grants are included in the 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.

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

2.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Charitable Company 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 Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities upon the completion of the relevant performance-related conditions. Other grants that are not subject to performance-related conditions are credited to the Statement of Financial Activities as the grant proceeds are received. Grants received prior to the revenue recognition criteria being satisfied are recognised as a liability.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.6 INTEREST RECEIVABLE

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

2.7 TAXATION

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

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2-10% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 12.5% - 25% straight line
Office equipment	- 25% straight line
Other fixed assets	- 12.5% or 25% 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 Statement of Financial Activities.

Investments in joint ventures are stated at the amount of the Charitable Company's share of net assets. The Statement of Financial Activities includes the Charitable Company's share of the joint ventures' net income or expenditure using the equity accounting basis. As the joint venture is a charity, the investment is presented within restricted funds.

2.10 DEBTORS

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.11 CURRENT ASSET INVESTMENTS

Current asset investments includes cash on deposit with a notice period of more than three months but less than one year.

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.

2.13 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 Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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 Statement of Financial Activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

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

2.15 PENSIONS

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company 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 Charitable Company and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	415,868	108,467	524,335	494,274
Gift Aid on donations	32,816	-	32,816	32,633
Legacies	122,466	-	122,466	121,610
Government grants	-	29,184	29,184	-
In memoriam	53,639	-	53,639	59,971
SUBTOTAL	176,105	29,184	205,289	181,581
	624,789	137,651	762,440	708,488
TOTAL 2024	583,691	124,797	708,488	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
CCG funding - Hospice services	280,586	280,586	278,913
Student placement income	4,380	4,380	6,120
	284,966	284,966	285,033
TOTAL 2024	285,033	285,033	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2025 £	Total funds 2025 £	As restated Total funds 2024 £
Shop and eBay sales	674,655	674,655	628,320
Ragging income	14,208	14,208	12,917
Gift Aid income	37,323	37,323	38,748
Lottery income	76,258	76,258	76,119
Other income	11,776	11,776	6,009
	<u>814,220</u>	<u>814,220</u>	<u>762,113</u>
TOTAL 2024 AS RESTATED	<u>762,113</u>	<u>762,113</u>	

The prior year comparative balances for Shop and eBay sales and Gift Aid income have been reclassified to a show a more accurate analysis of income.

The total income from other trading activities, and overall deficit for the year ended 31 March 2024 remains unchanged.

6. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investment income	41,736	41,736	32,243
	<u>32,243</u>	<u>32,243</u>	
TOTAL 2024	<u>32,243</u>	<u>32,243</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

7. EXPENDITURE ON RAISING FUNDS

CHARITY SHOP EXPENSES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Charity shop non-staff costs	230,364	5,678	236,042	208,755
Charity shop staff costs	315,529	-	315,529	295,661
	<u>545,893</u>	<u>5,678</u>	<u>551,571</u>	<u>504,416</u>
TOTAL 2024	<u><u>504,416</u></u>	<u><u>-</u></u>	<u><u>504,416</u></u>	

FUNDRAISING EXPENSES

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Fundraising non-staff costs	59,764	59,764	59,370
Fundraising staff costs	172,734	172,734	167,560
	<u>232,498</u>	<u>232,498</u>	<u>226,930</u>
TOTAL 2024	<u><u>226,930</u></u>	<u><u>226,930</u></u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Operation of Hospice	1,103,142	109,246	1,212,388	1,264,345
TOTAL 2024	1,094,064	170,281	1,264,345	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Operation of Hospice	839,237	373,151	1,212,388	1,264,345
TOTAL 2024	899,541	364,804	1,264,345	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2025 £	Total funds 2024 £
Staff costs	599,810	657,875
Depreciation	101,124	69,507
Care equipment	165	534
Utilities	26,453	52,450
Education and training	2,553	9,044
Laundry and cleaning	7,764	29,195
Patient interaction	5,964	8,710
Repairs and maintenance	68,407	36,154
Printing, stationery and postage	3,387	5,757
Consumables	4,583	5,016
Travel	19,027	25,286
Bad debt write off	-	13
	839,237	899,541

ANALYSIS OF SUPPORT COSTS

	Total funds 2025 £	Total funds 2024 £
Staff costs	270,508	272,701
Recruitment expenses	1,995	1,637
Insurance	16,316	17,308
IT consumables	37,294	23,050
Education and training	-	200
Telephone	3,977	5,674
Miscellaneous expenses	12,691	7,534
Consultancy fees	16,253	19,190
Audit and accountancy fees	12,565	13,486
Printing, stationery and postage	1,345	3,927
Bank charges	207	97
	373,151	364,804

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

10. AUDITORS' REMUNERATION

	2025	2024
	£	£
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	10,710	9,950
Fees payable to the Charitable Company's auditor in respect of: Preparation of the annual accounts	3,040	2,825
	<u><u>13,750</u></u>	<u><u>12,775</u></u>

11. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	1,180,608	1,214,298
Social security costs	99,905	101,473
Contribution to defined contribution pension schemes	78,068	78,026
	<u><u>1,358,581</u></u>	<u><u>1,393,797</u></u>

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

	2025	2024
	No.	No.
Hospice services	20	23
Fundraising	7	7
Management & administration	12	10
Merchandising	14	11
	<u><u>53</u></u>	<u><u>51</u></u>

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

	2025	2024
	No.	No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charitable Company is represented by the roles of Chief Executive Officer, Head of Clinical Services, Head of Family Support and Chief Operating Officer. The total employee benefits of the key management personnel were £246,085 (2024: £243,573), including employer's pension contributions.

12. TRUSTEES' REMUNERATION AND EXPENSES

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

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

12. TRUSTEES' REMUNERATION AND EXPENSES (CONTINUED)

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION					
At 1 April 2024	2,684,955	15,730	163,746	61,097	2,925,528
Additions	-	-	50,659	-	50,659
At 31 March 2025	<u>2,684,955</u>	<u>15,730</u>	<u>214,405</u>	<u>61,097</u>	<u>2,976,187</u>
DEPRECIATION					
At 1 April 2024	879,479	13,221	82,253	53,373	1,028,326
Charge for the year	53,959	627	31,353	6,179	92,118
Impairment charge	28,116	-	-	-	28,116
At 31 March 2025	<u>961,554</u>	<u>13,848</u>	<u>113,606</u>	<u>59,552</u>	<u>1,148,560</u>
NET BOOK VALUE					
At 31 March 2025	<u><u>1,723,401</u></u>	<u><u>1,882</u></u>	<u><u>100,799</u></u>	<u><u>1,545</u></u>	<u><u>1,827,627</u></u>
At 31 March 2024	<u><u>1,805,476</u></u>	<u><u>2,509</u></u>	<u><u>81,493</u></u>	<u><u>7,724</u></u>	<u><u>1,897,202</u></u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

14. FIXED ASSET INVESTMENTS

	Investment in joint ventures £
COST OR VALUATION	
At 1 April 2024	100
	<hr/>
AT 31 MARCH 2025	100
	<hr/> <hr/>
NET BOOK VALUE	
AT 31 MARCH 2025	100
	<hr/>
AT 31 MARCH 2024	100
	<hr/> <hr/>

PRINCIPAL JOINT VENTURES

The following was a joint venture of the Charitable Company:

Name	Fair value of investment £	Profit for the year £
Worcestershire Hospices Lottery Limited	100	76,258

The Charitable Company has a one third shared holding in a joint venture, Worcester Hospices Lottery Limited, which entitles the Charitable Company to a third of its distributable reserves.

15. DEBTORS

	2025 £	2024 £
DUE WITHIN ONE YEAR		
Trade debtors	1,424	1,337
Other debtors	-	98
Prepayments and accrued income	233,699	248,398
Tax recoverable	12,549	10,859
	<hr/>	<hr/>
	247,672	260,692
	<hr/> <hr/>	<hr/> <hr/>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

16. CURRENT ASSET INVESTMENTS

	2025 £	2024 £
Short term deposit account	524,251	-
	<u>524,251</u>	<u>-</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	176,395	139,813
Other creditors	11,991	12,063
Accruals and deferred income	55,248	61,679
	<u>243,634</u>	<u>213,555</u>

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

18. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
UNRESTRICTED FUNDS				
DESIGNATED FUNDS				
Designated funds	380,829	-	(24,000)	356,829
GENERAL FUNDS				
General funds	1,991,966	1,765,711	(1,857,533)	1,900,144
TOTAL UNRESTRICTED FUNDS	2,372,795	1,765,711	(1,881,533)	2,256,973
RESTRICTED FUNDS				
2004 Capital Appeal	287,385	-	(9,742)	277,643
2008 Squaring the Circle	96,030	-	(2,825)	93,205
Bromsgrove District Council	2,509	-	(627)	1,882
Department of Health - 2010 grant	529,840	-	(14,320)	515,520
Grand Lodge of Mark Master Masons	30,426	-	(823)	29,603
Sensory Garden	1,000	-	(1,000)	-
The Rowlands Trust	-	9,678	-	9,678
Department of Health - Garden Room	405,076	-	(10,064)	395,012
Kildare Trust	-	56,974	(23,893)	33,081
Stoke Prior Bares	13,718	-	(3,280)	10,438
National Lottery Com Fund	-	18,332	(17,301)	1,031
DHSC Capital Grant Programme	-	29,184	(5,678)	23,506
Other small funds	3,003	17,483	(19,371)	1,115
DMF Ellis Trust	-	6,000	(6,000)	-
	1,368,987	137,651	(114,924)	1,391,714
TOTAL OF FUNDS	3,741,782	1,903,362	(1,996,457)	3,648,687

18. STATEMENT OF FUNDS (CONTINUED)

The specific purposes for which the funds are to be applied are as follows:

2004 Capital Appeal - Funding raised by the charity for an extension to the original building and are reduced annually by an amount equivalent to the depreciation charge in respect of that building cost.

2008 Squaring the Circle - Funding received from the Department of Health supporting Dignity in Care for older people. The grant funded the construction of a covered walkway and a hexagonal spiritual room, the cost of which is depreciated annually.

Bromsgrove District Council - The funds were received to fund our new Wellbeing project, designed to support people with a life limiting illness in managing and maintaining their quality of life.

Department of Health - 2010 Grant - The funds were received to fund the family support centre.

Grand Lodge of Mark Master Masons - Funds raised by the charity for the fixtures, fittings and equipment in the family support centre.

Sensory Garden - The funds were received for a garden designated for the use of the children who are supported by Primrose.

Department of Health - Garden Room - Funding received from the Department of Health to provide new accommodation space for day patients.

Stoke Prior Bares - The funds were received to supporting the running of the GALS group.

The Rowlands Trust - The funds were received for the refurbishment of the patient bathroom.

Kildare Trust - The funds were received for updating fire safety measures.

National Lottery Com Fund - The funds were received to support the running of the children's services.

DMF Ellis Trust - The funds were received to support the running of the day hospice.

DHSC Capital Grant Programme - The funds were received from the DHSC to support hospices.

Other Funds - A number of additional donations were received throughout the year which will help fund the provision of group support, IT, building work and other ad hoc items.

Designated Funds – Funds totalling £356,829 have been designated for future essential projects. A breakdown of funds designated by project is shown in the table on page 6. This includes high cost maintenance projects but also significant funding to support the organisation to move towards more sustainable energy supplies and offset our carbon footprint. We are committed to achieving net zero on emissions by 2050 and intend to take major steps towards this target by 2030.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

18. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated funds	431,299	-	(179,470)	129,000	380,829
GENERAL FUNDS					
General funds	2,103,826	1,663,080	(1,645,940)	(129,000)	1,991,966
TOTAL UNRESTRICTED FUNDS	2,535,125	1,663,080	(1,825,410)	-	2,372,795
RESTRICTED FUNDS					
2004 Capital Appeal	297,127	-	(9,742)	-	287,385
2008 Squaring the Circle	98,855	-	(2,825)	-	96,030
Bromsgrove District Council	3,115	-	(606)	-	2,509
Department of Health - 2010 grant	544,160	-	(14,320)	-	529,840
Grand Lodge of Mark Master Masons	31,249	-	(823)	-	30,426
Sensory Garden	3,000	-	(2,000)	-	1,000
Department of Health - Garden Room	415,140	-	(10,064)	-	405,076
Interserve	162	-	(162)	-	-
Eveson Trust	-	35,000	(35,000)	-	-
Stoke Prior Bares	17,181	-	(3,463)	-	13,718
William A Cadbury Trust	-	20,000	(20,000)	-	-
DHSC Capital Grant Programme	-	30,000	(30,000)	-	-
Other small funds	4,482	39,797	(41,276)	-	3,003
	1,414,471	124,797	(170,281)	-	1,368,987
TOTAL OF FUNDS	3,949,596	1,787,877	(1,995,691)	-	3,741,782

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

19. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
Designated funds	380,829	-	(24,000)	356,829
General funds	1,991,966	1,765,711	(1,857,533)	1,900,144
Restricted funds	1,368,987	137,651	(114,924)	1,391,714
	<u>3,741,782</u>	<u>1,903,362</u>	<u>(1,996,457)</u>	<u>3,648,687</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	431,299	-	(179,470)	129,000	380,829
General funds	2,103,826	1,663,080	(1,645,940)	(129,000)	1,991,966
Restricted funds	1,414,471	124,797	(170,281)	-	1,368,987
	<u>3,949,596</u>	<u>1,787,877</u>	<u>(1,995,691)</u>	<u>-</u>	<u>3,741,782</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	491,256	1,336,371	1,827,627
Fixed asset investments	100	-	100
Current assets	2,009,251	55,343	2,064,594
Creditors due within one year	(243,634)	-	(243,634)
TOTAL	<u>2,256,973</u>	<u>1,391,714</u>	<u>3,648,687</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	547,445	1,349,757	1,897,202
Fixed asset investments	100	-	100
Current assets	2,038,805	19,230	2,058,035
Creditors due within one year	(213,555)	-	(213,555)
TOTAL	2,372,795	1,368,987	3,741,782

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

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	(93,095)	(207,814)
ADJUSTMENTS FOR:		
Depreciation charges	79,313	69,507
Dividends, interests and rents from investments	(41,736)	(32,243)
(Increase)/decrease in debtors	13,020	231,673
Increase/(decrease) in creditors	30,079	(38,225)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(12,419)	22,898

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand	1,292,671	1,797,343
TOTAL CASH AND CASH EQUIVALENTS	1,292,671	1,797,343

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	1,797,343	(504,672)	1,292,671
Short term deposit account	-	524,251	524,251
	<u> </u>	<u> </u>	<u> </u>

24. PENSION COMMITMENTS

The Charitable Company 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 Charitable Company to the fund and amounted to £78,068 (2024: £78,026). Contributions totalling £7,232 (2024: £6,794) were payable to the fund at the balance sheet date.

25. OPERATING LEASE COMMITMENTS

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

	2025	2024
	£	£
Not later than 1 year	69,158	52,158
Later than 1 year and not later than 5 years	272,524	152,524
Later than 5 years	20,083	21,083
	<u> </u>	<u> </u>
	<u>361,765</u>	<u>225,765</u>

26. RELATED PARTY TRANSACTIONS

During the year the Charity generated income of £76,258 (2024: £76,119) via a joint venture enterprise, Worcestershire Hospices Lottery Limited. The amount due to the Charity at the year end amounted to £18,814 (2024: £19,974).

THE PRIMROSE HOSPICE LIMITED

England & Wales - Charity number 700272

Accounts

Registered number: 02211941
Charity number: 700272

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees J Alderson (resigned 21 November 2023)
J Baldwin
L Chapman
B Cooper
M Duncan
R Laight
M Leech (deceased 11 October 2023)
D Locke
M Mushen
C Roberson
M Webb
R Cattell (appointed 8 April 2024)
A Haden (appointed 8 April 2024)
O Reynolds (appointed 8 April 2024)
K Sharpe (appointed 8 April 2024)
J Till (appointed 8 April 2024)
R Watts (appointed 8 April 2024)

**Company registered
number** 02211941

**Charity registered
number** 700272

Registered office Primrose Hospice
St. Godwalds Road
Bromsgrove
Worcestershire
B60 3BW

Company secretary A Dalton

Chief executive officer D Burrell

Independent auditors Bishop Fleming LLP
Chartered Accountants
1-3 College Yard
Worcester
WR1 2LB

Bankers Lloyds Bank plc
112 High Street
Bromsgrove
Worcestershire
B61 8ES

Solicitors HCB Solicitors Ltd
Redditch Office
Croft House
Moons Moat Drive
Redditch
Worcestershire
B98 9HN

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

On behalf of the Board of Trustees, I am pleased to present the Annual Report for Primrose Hospice for the year ending March 2024.

The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. 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 (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as "small" under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

Based in Bromsgrove, Primrose Hospice is an established and highly respected charity. It has served the population of North East Worcestershire since 1988.

In 2023/24 Primrose Hospice raised £1.79 million (£2.19 million in 2022/23) which includes an annual grant from the NHS. Around £1.47 million (£1.9million in 2022/23) of the monies raised was achieved thanks to the generous support of local people and businesses. The money raised is spent on supporting people with life limiting illnesses and families during difficult and challenging times.

During 2023/24 we intentionally reduced our reserves by setting a deficit budget. Reserves were temporarily high due to exceptional legacy income and the central funding provided during Covid. It is our ethical imperative to use our funds for the benefit of our community so we set a deficit budget to ensure our funds were utilised. We are pleased to have prudently reduced our reserves during this period. We now need to manage expenditure and income over the next few years to reduce our underlying deficit and return the organisation to financial balance.

2023/24 was a year of consolidation after the "covid" years.

The organisation is thriving with multiple notable achievements during 2023/24 including:

- Achieving a CQC rating of "Good". The CQC, the independent regulator of health and social care services in England, conducted a comprehensive inspection of Primrose Hospice's facilities, services, and patient care practices in November 2023. Following the thorough assessment, Primrose Hospice received an overall rating of "Good," which highlights the organisation's commitment to maintaining high standards of quality and safety. Primrose Hospice remains dedicated to continuous improvement and innovation, striving to enhance its services further to meet the evolving needs of patients and their loved ones.
- Major progress with moving to become a greener and more sustainable organisation. Installation of solar panels on site means that we can now generate 60% of our electricity locally reducing our costs and our carbon footprint. In early 2024 we also connected to an adjacent biomass boiler to supply heat and hot water to our main Hospice site. This together with improvements to our waste management and disposal are major steps towards achieving our goal to be net zero by 2050.

Objectives and activities

a. Policies and objectives

Primrose Hospice aims to work to support adults with life-limiting illnesses and families to offer a high quality and responsive service appropriate to the needs of an individual.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

The objectives of Primrose Hospice are:

- To provide specialised palliative care for patients with progressive, advanced cancer and other diseases from which they will not recover, across the recognised domains of physical, psychological, social and spiritual care, thereby assisting patients to achieve quality in their daily living.
- To act as a point of liaison in issues of communication, ensuring patients and their families are involved in decisions concerning their care and treatment, allowing them to make informed choices.
- To provide information to patients and families, ensuring they have full knowledge of all the support services, financial benefits and aids they may require to achieve comfortable living.
- To provide emotional support to individuals (adult or child between the ages of 6 and 18) by the provision of trained volunteer support workers or counselling.
- To provide the opportunity for the patient and family to discuss their chosen place of care and eventual place of death, whether at home, in hospital or a nursing home.
- To provide supportive care for patients with life limiting illnesses by the provision of counselling, information and complementary therapies.
- In providing the above services, we are benefiting the individuals who avail themselves of these services, together with carers and families. Primrose Hospice makes no charge for any of its services.

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

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Whilst the Charity developed a clear 5 year strategy in 2018, this has been reviewed in 2022 following the covid outbreak and extended to 2026.

c. Activities undertaken to achieve objectives

At Primrose Hospice and Family Support Centre, we are privileged to be able to support patients with life-limiting illnesses and families experiencing bereavement, providing them with the care and support they need during the most difficult and challenging times.

We offer a wide range of services including Day Hospice, Clinical Nurse Specialist services, Physiotherapy, Family Support, Counselling and a Living Well Service.

Our Family Support and Living Well Team support patients and families through challenging times, offering a range of one-to-one sessions and group support for all ages; this includes a bereavement service. The team offers both practical assistance as well as an empathetic ear, providing advice for all the family and helping them to deal with the demanding situations that arise throughout their journey.

At Primrose Hospice we are also especially mindful of the impact on children, who do not always have the language or understanding to express how they feel. We understand that helping children to find creative and safe ways in which to express their feelings after someone special dies is hugely important.

The Clinical Team support patients living with life-limiting illnesses such as heart failure, lung conditions, cancer, neurological conditions and more.

Support is patient centred and based on individual need and diagnosis. The aim is to help patients manage their symptoms and aid decision making. As well as maximise independence and optimise quality of life through therapeutic assessment, goal setting and delivering an evidence-based treatment programme

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Achievements and performance

a. Key performance indicators

Primrose Hospice's priority has continued to be to provide care for those with life limiting illness and support for families regardless of whether their loved one was cared for by the Hospice.

Primrose Hospice's challenge continues to be to raise the funds to sustain our current services and respond to any increase in demand for our services.

b. Review of activities

Primrose Hospice provides support to patients with life-limiting illnesses and families, providing them with the care and support they require during difficult times.

c. Investment policy and performance

There are no restrictions on the powers of the Trustees to invest the funds of Primrose Hospice. The current policy of the Trustees is to have regard to income requirements and any risks which have been identified and to retain any such funds as are required in short term bank deposit accounts. Primrose Hospice seeks to produce the best financial return within an acceptable level of risk. The investment objective for the short-term cash reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Trustees have reviewed the reserves of the charity, including the nature of the income and expenditure streams, the need to match variable income and fixed commitments and the nature of the reserves.

An investment policy was reviewed and updated at the Finance, Income Generation and General Matters Committee and Board in July 2023 and is due for further review in July 2026.

Funds totalling £380,829 have been designated for future essential projects including maintenance, security, replacement of equipment and sustainability. These are unrestricted funds and approval of Trustees was given at the Finance Income and General Matters Committee in July 2024.

A breakdown of funds designated by project is shown in the table below. This includes high cost maintenance projects but also funding to support the organisation to offset our carbon footprint. We are committed to achieving net zero on emissions by 2050.

Project	Total	Estimated / Quoted
EV Vehicles x 2	£60,990	Quoted
Electric Van	£60,839	Quoted
Roofing	£50,000	Estimated
Security	£10,000	Estimated
Garden Improvements	£10,000	Estimated
IT hardware	£40,000	Estimated
Building repairs / developments	£20,000	Estimated
Battery Storage for Solar Power	£52,000	Estimated
CCTV for Retail	£20,000	Estimated
Fire Doors & Preventions	£57,000	Quoted
TOTAL	£380,829	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. This has been reviewed and the Trustees are confident there are sufficient reserves to ensure the Hospice remains a going concern beyond March 2025. 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 (Note 2.2).

b. Reserves policy

The Trustees actively review the major risks which the Charity faces and believe that maintaining reserves at a level to cover 6 months operating costs, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The organisation aspires to have 6 months' reserves at any time (currently 11.11 months). The Trustees have also examined other operational and business risks faced by the Charity, have produced a Risk Register and confirm that they have established systems to mitigate the significant risks.

Whilst reserves are greater than the Charity aspires to in 'normal' times. As there are risks around future income levels and a deficit budget during 2024/25, Trustees have accepted maintaining additional reserves as a prudent buffer in a time of great uncertainty around future income for the Charity.

c. Financial review

The Statement of Financial Activities (SOFA) shows designated, unrestricted and restricted reserves at £380,829, £1,991,966 and £1,368,987 respectively. In 2022/23 designated, unrestricted and restricted reserves were £431,299, £2,103,826 and £1,414,471 respectively.

Total incoming resources amounted to £1,787,877 (2023: £2,188,541). £285,033 of this was from statutory sources (£280,303 in 2023). For the other 84.06 % (87.04 % in 2023), Primrose Hospice remains heavily dependent on the generosity of our local community to support our retail shops, joint lottery and fundraising activities.

There was a deficit of £207,814 in 2024 (in 2023 the figure was a surplus of £370,699).

d. Principal funding

National Health Service Grants

Grant income from the NHS was £278,913, which equates to 15.6 % of the Hospice's total funding. Primrose Hospice ensures that the limited resources are used responsibly to provide the best care and support to our community.

Worcestershire Hospices Lottery

Worcestershire Hospices Lottery, a joint venture with Acorns Children's Hospice and St. Richard's Hospice, generated income of £76,119 (2023: £70,440) for the Hospice.

Donations (Charitable Trusts, Fundraising & other donations)

Donations in 2024 were £526,907 compared to £511,279 in 2023, i.e. 29.47% of income.

Legacies and In Memoriam

Legacies and In Memoriam were £181,581 compared to £648,928 in 2023; 10.16 % of income.

Trading Activities

The income generated by Primrose's 6 retail shops was £679,985 compared to £653,605 2022/23.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Structure, governance and management

a. Constitution

The Primrose Hospice is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The Primrose Hospice is constituted under a Trust deed and is a registered charity number 700272.

The Primrose Hospice is a charitable company limited by guarantee, incorporated on 20th January 1988, and entered on the Register of Charities on 23rd May 1988.

The Primrose Hospice was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount of £1 per member.

b. Methods of appointment or election of Trustees

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles, are known as members of the Board of Trustees. The Trustees when complete consist of at least seven and not more than twenty individuals over the age of 18, all of whom must support the Objects.

c. Organisational structure and decision making policies

The Board of Trustees administers the Charity. The Board meets at least 4 times a year and is responsible for the strategic direction and policy of the Charity.

The Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the Charity and attends the Board Meetings, alongside members of the Senior Leadership Team. To facilitate effective operations, the Chief Executive Officer has delegated authority for operational matters.

d. Policies adopted for the induction and training of Trustees

The Trustees have a formal induction process which covers all Primrose Hospice policies and procedures and covers the Trustee Code of Conduct, the Trustee declaration, Confidentiality agreement, Nolan 7 Principles, The Charity Commission's publication 'The Essential Trustee' The Hospice UK 20 minute guide and Mandatory Training as undertaken by all volunteers.

e. Pay policy for key management personnel

Salaries are reviewed to ensure resources are used as efficiently as possible. This, along with benchmarking against similar local charities and assessing the complexity of the role provides a fair and robust remuneration process.

f. Financial risk management

The Trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The Trustees and Senior Management Team plan to continue to deliver services for the Charity's clients, whilst managing other economic uncertainties on the Charity.

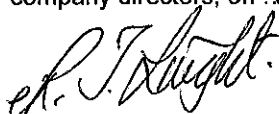
We will continue to enhance our services and increase utilisation where possible.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

The Board will take a cautious approach to any additional recurrent expenditure at present until the situation, particularly around income is clearer. Reserves are at higher than usual levels at present which will provide a buffer against any pending cost pressures.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on ~~1 March~~ ²⁰²⁴ and signed on its behalf by:



R Laight
Trustee

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024**

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



R Laight
Trustee

Date: 07/10/2024

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED

OPINION

We have audited the financial statements of The Primrose Hospice Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 March 2024 and of its 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 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 charitable company 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 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 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

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

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In additions, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims and litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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

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

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with 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.



Andrew Wood FCCA (Senior statutory auditor)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 22 October 2024

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	583,691	124,797	708,488	1,163,617
Charitable activities	4	285,033	-	285,033	280,303
Other trading activities	5	762,113	-	762,113	736,151
Investments	6	32,243	-	32,243	8,470
Total income		1,663,080	124,797	1,787,877	2,188,541
Expenditure on:					
Raising funds	7	731,346	-	731,346	685,956
Charitable activities	8	1,094,064	170,281	1,264,345	1,131,886
Total expenditure		1,825,410	170,281	1,995,691	1,817,842
Net movement in funds		(162,330)	(45,484)	(207,814)	370,699
Reconciliation of funds:					
Total funds brought forward		2,535,125	1,414,471	3,949,596	3,578,897
Net movement in funds		(162,330)	(45,484)	(207,814)	370,699
Total funds carried forward		2,372,795	1,368,987	3,741,782	3,949,596

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

The notes on pages 16 to 34 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02211941**

**BALANCE SHEET
AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	1,897,202	1,877,919
Investments	14	100	100
		<u>1,897,302</u>	<u>1,878,019</u>
Current assets			
Debtors	15	260,692	492,365
Cash at bank and in hand		1,797,343	1,830,992
		<u>2,058,035</u>	<u>2,323,357</u>
Creditors: amounts falling due within one year	16	(213,555)	(251,780)
Net current assets		<u>1,844,480</u>	<u>2,071,577</u>
Total net assets		<u><u>3,741,782</u></u>	<u><u>3,949,596</u></u>
Charity funds			
Restricted funds	17	1,368,987	1,414,471
Designated funds	17	380,829	431,299
General funds	17	1,991,966	2,103,826
Total unrestricted funds	17	<u>2,372,795</u>	<u>2,535,125</u>
Total funds		<u><u>3,741,782</u></u>	<u><u>3,949,596</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.

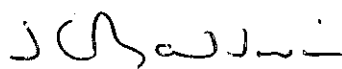
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

R Laight
Trustee



J Baldwin
Trustee



Date: 07/10/2024

The notes on pages 16 to 34 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	20	22,898	206,618
Cash flows from investing activities			
Dividends, interests and rents from investments		32,243	8,470
Purchase of tangible fixed assets		(88,790)	-
Net cash (used in)/provided by investing activities		(56,547)	8,470
Change in cash and cash equivalents in the year			
Cash and cash equivalents at the beginning of the year		1,830,992	1,615,904
Cash and cash equivalents at the end of the year	21	1,797,343	1,830,992

The notes on pages 16 to 34 form part of these financial statements

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

The Primrose Hospice is a private Charitable Company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Primrose Hospice, St. Godwalds Road, Bromsgrove, Worcestershire, B60 3BW.

The principal activity of the Charitable Company is as disclosed in the Trustees' report, starting on page 2.

The accounts are presented in GBP and are rounded to the nearest GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

2.2 GOING CONCERN

The Trustees have reviewed financial projection forecasts for a period of at least 18 months following the date of approval of the financial statements. Reserves and bank balances are both strong. The Charitable Company has a net asset value as at 31 March 2024 of £3,708,027 (2023: £3,949,596) with 10.18% of the reserves being held as designated funds and 53.23% of the reserves being held as general unrestricted funds. The freehold property has a net book value totalling £1,805,476 (2023: £1,860,671) and the cash at bank is £1,797,343 (2023: £1,830,993).

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for this reason, the financial statements have been prepared on a going concern basis.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Grants are included in the 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.

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

2.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Charitable Company 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 Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.7 TAXATION

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

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2-10% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 12.5% - 25% straight line
Office equipment	- 25% straight line
Other fixed assets	- 12.5% or 25% 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 Statement of Financial Activities.

Investments in joint ventures are stated at the amount of the Charitable Company's share of net assets. The Statement of Financial Activities includes the Charitable Company's share of the joint ventures' net income or expenditure using the equity accounting basis. As the joint venture is a charity, the investment is presented within restricted funds.

2.10 DEBTORS

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

2.11 CASH AT BANK AND IN HAND

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.12 LIABILITIES AND PROVISIONS

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

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

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 Statement of Financial Activities as a finance cost.

2.13 FINANCIAL INSTRUMENTS

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

2.14 PENSIONS

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

2.15 FUND ACCOUNTING

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	402,110	124,797	526,907	511,279
Legacies	121,610	-	121,610	597,670
Government grants	-	-	-	3,410
In memoriam	59,971	-	59,971	51,258
	<u>583,691</u>	<u>124,797</u>	<u>708,488</u>	<u>1,163,617</u>
TOTAL 2023	<u><u>1,038,855</u></u>	<u><u>124,762</u></u>	<u><u>1,163,617</u></u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
CCG funding - Hospice services	278,913	278,913	273,981
Student placement income	6,120	6,120	6,322
	<u>285,033</u>	<u>285,033</u>	<u>280,303</u>
TOTAL 2023	<u><u>280,303</u></u>	<u><u>280,303</u></u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Shop and eBay sales	603,761	603,761	582,606
Ragging income	12,917	12,917	13,856
Gift Aid income	63,307	63,307	57,143
Other income	6,009	6,009	12,106
Retail, Hospitality and Leisure	76,119	76,119	70,440
	<u>762,113</u>	<u>762,113</u>	<u>736,151</u>
TOTAL 2023	<u>736,151</u>	<u>736,151</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment income	32,243	32,243	8,470
TOTAL 2023	<u>8,470</u>	<u>8,470</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

7. EXPENDITURE ON RAISING FUNDS

CHARITY SHOP EXPENSES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Charity shop non-staff costs	208,755	208,755	203,391
Charity shop staff costs	295,661	295,661	265,600
	<u>504,416</u>	<u>504,416</u>	<u>468,991</u>
TOTAL 2023	<u>468,991</u>	<u>468,991</u>	

FUNDRAISING EXPENSES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fundraising non-staff costs	59,370	59,370	69,474
Fundraising staff costs	167,560	167,560	147,491
	<u>226,930</u>	<u>226,930</u>	<u>216,965</u>
TOTAL 2023	<u>216,965</u>	<u>216,965</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Operation of Hospice	1,094,064	170,281	1,264,345	1,131,886
TOTAL 2023	982,860	149,026	1,131,886	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Operation of Hospice	899,541	364,804	1,264,345	1,131,886
TOTAL 2023	800,746	331,140	1,131,886	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2024 £	Total funds 2023 £
Staff costs	657,875	567,238
Depreciation	69,507	67,564
Care equipment	534	2,733
Utilities	52,450	43,779
Education and training	9,044	9,121
Laundry and cleaning	29,195	27,194
Patient interaction	8,710	12,543
Repairs and maintenance	36,154	36,018
Printing, stationery and postage	5,757	7,967
Consumables	5,016	6,599
Travel	25,286	19,990
Bad debt write off	13	-
	899,541	800,746

ANALYSIS OF SUPPORT COSTS

	Total funds 2024 £	Total funds 2023 £
Staff costs	272,701	252,320
Recruitment expenses	1,637	1,518
Insurance	17,308	17,294
IT consumables	23,050	20,704
Education and training	200	1,670
Telephone	5,674	5,828
Miscellaneous expenses	7,534	3,632
Consultancy fees	19,190	12,265
Audit and accountancy fees	13,486	11,804
Printing, stationery and postage	3,927	3,962
Bank charges	97	143
	364,804	331,140

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

10. AUDITORS' REMUNERATION

	2024	2023
	£	£
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	9,950	9,215
Fees payable to the Charitable Company's auditor in respect of: Preparation of the annual accounts	2,825	2,615
	<u>12,775</u>	<u>11,830</u>

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,214,298	1,067,660
Social security costs	101,473	90,907
Contribution to defined contribution pension schemes	78,026	74,082
	<u>1,393,797</u>	<u>1,232,649</u>

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

	2024	2023
	No.	No.
Hospice services	23	23
Fundraising	10	7
Management & administration	7	9
Merchandising	11	11
	<u>51</u>	<u>50</u>

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charitable Company is represented by the roles of Chief Executive Officer, Head of Clinical Services, Head of Family Support and Chief Operating Officer. The total employee benefits of the key management personnel were £243,573 (2023: £228,315), including employer's pension contributions.

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION					
At 1 April 2023	2,684,955	15,730	74,956	61,097	2,836,738
Additions	-	-	88,790	-	88,790
At 31 March 2024	<u>2,684,955</u>	<u>15,730</u>	<u>163,746</u>	<u>61,097</u>	<u>2,925,528</u>
DEPRECIATION					
At 1 April 2023	824,284	12,385	74,956	47,194	958,819
Charge for the year	55,195	836	7,297	6,179	69,507
At 31 March 2024	<u>879,479</u>	<u>13,221</u>	<u>82,253</u>	<u>53,373</u>	<u>1,028,326</u>
NET BOOK VALUE					
At 31 March 2024	<u>1,805,476</u>	<u>2,509</u>	<u>81,493</u>	<u>7,724</u>	<u>1,897,202</u>
At 31 March 2023	1,860,671	3,345	-	13,903	1,877,919

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

14. FIXED ASSET INVESTMENTS

	Investment in joint ventures £
COST OR VALUATION	
At 1 April 2023	100
AT 31 MARCH 2024	<u>100</u>
NET BOOK VALUE	
AT 31 MARCH 2024	<u>100</u>
AT 31 MARCH 2023	<u>100</u>

PRINCIPAL JOINT VENTURES

The following was a joint venture of the Charitable Company:

Name	Fair value of investment £	Profit for the year £
Worcestershire Hospices Lottery Limited	100	76,119

The Charitable Company has a one third shared holding in a joint venture, Worcester Hospices Lottery Limited, which entitles the Charitable Company to a third of its distributable reserves.

15. DEBTORS

	2024 £	2023 £
DUE WITHIN ONE YEAR		
Trade debtors	1,337	10,391
Other debtors	98	449
Prepayments and accrued income	248,398	470,632
Tax recoverable	10,859	10,893
	<u>260,692</u>	<u>492,365</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	139,813	163,972
Other creditors	12,063	12,804
Accruals and deferred income	61,679	75,004
	213,555	251,780

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated funds	431,299	-	(179,470)	129,000	380,829
GENERAL FUNDS					
General funds	2,103,826	1,663,080	(1,645,940)	(129,000)	1,991,966
TOTAL UNRESTRICTED FUNDS	2,535,125	1,663,080	(1,825,410)	-	2,372,795
RESTRICTED FUNDS					
2004 Capital Appeal	297,127	-	(9,742)	-	287,385
2008 Squaring the Circle	98,855	-	(2,825)	-	96,030
Bromsgrove District Council	3,115	-	(606)	-	2,509
Department of Health - 2010 grant	544,160	-	(14,320)	-	529,840
Grand Lodge of Mark Master Masons	31,249	-	(823)	-	30,426
Sensory Garden	3,000	-	(2,000)	-	1,000
Department of Health - Garden Room	415,140	-	(10,064)	-	405,076
Interserve	162	-	(162)	-	-
Eveson Trust	-	35,000	(35,000)	-	-
Stoke Prior Bares	17,181	-	(3,463)	-	13,718
William A Cadbury Trust	-	20,000	(20,000)	-	-
Albert Hunt Trust	-	30,000	(30,000)	-	-
Other small funds	4,482	39,797	(41,276)	-	3,003
	1,414,471	124,797	(170,281)	-	1,368,987
TOTAL OF FUNDS	3,949,596	1,787,877	(1,995,691)	-	3,741,782

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

The specific purposes for which the funds are to be applied are as follows:

2004 Capital Appeal - Funding raised by the charity for an extension to the original building and are reduced annually by an amount equivalent to the depreciation charge in respect of that building cost.

2008 Squaring the Circle - Funding received from the Department of Health supporting Dignity in Care for older people. The grant funded the construction of a covered walkway and a hexagonal spiritual room, the cost of which is depreciated annually.

Bromsgrove District Council - The funds were received to fund our new Wellbeing project, designed to support people with a life limiting illness in managing and maintaining their quality of life.

Department of Health - Garden Room - Funding received from the Department of Health to provide new accommodation space for day patients.

Grand Lodge of Mark Master Masons - Funds raised by the charity for the fixtures, fittings and equipment in the family support centre.

Bumblehole Foods - Funds received to install new LED lights into the main Hospice building and the Coppice Centre, thus reducing ongoing costs and environmental impact.

Other Funds - A number of additional donations were received throughout the year which will help fund the provision of group support, IT, building work and other ad hoc items.

Hospice and Family Support Services - Funds received from various sources to help support and maintain our core services.

Designated Funds – Funds totalling £380,829 have been designated for future essential projects. A breakdown of funds designated by project is shown in the table on page 6. This includes high cost maintenance projects but also significant funding to support the organisation to move towards more sustainable energy supplies and offset our carbon footprint. We are committed to achieving net zero on emissions by 2050 and intend to take major steps towards this target by 2030.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated funds	-	-	-	431,299	431,299
GENERAL FUNDS					
General funds	2,140,162	2,063,779	(1,668,816)	(431,299)	2,103,826
TOTAL UNRESTRICTED FUNDS	2,140,162	2,063,779	(1,668,816)	-	2,535,125
RESTRICTED FUNDS					
2004 Capital Appeal	306,869	-	(9,742)	-	297,127
2008 Squaring the Circle	101,680	-	(2,825)	-	98,855
Bromsgrove District Council	4,229	-	(1,114)	-	3,115
Department of Health - 2010 grant	558,480	-	(14,320)	-	544,160
Grand Lodge of Mark Master Masons	32,072	-	(823)	-	31,249
Sensory Garden	5,000	-	(2,000)	-	3,000
Department of Health - Garden Room	425,204	-	(10,064)	-	415,140
Interserve	610	-	(448)	-	162
Bumblehole Foods	1,763	-	(1,763)	-	-
Eveson Trust	-	33,789	(33,789)	-	-
Kildare Trust	-	24,000	(24,000)	-	-
Stoke Prior Bares	-	18,956	(1,775)	-	17,181
National Lottery Com Fund	-	9,630	(9,630)	-	-
Other small funds	2,828	38,387	(36,733)	-	4,482
	1,438,735	124,762	(149,026)	-	1,414,471
TOTAL OF FUNDS	3,578,897	2,188,541	(1,817,842)	-	3,949,596

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

18. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	431,299	-	(179,470)	129,000	380,829
General funds	2,103,826	1,663,080	(1,645,940)	(129,000)	1,991,966
Restricted funds	1,414,471	124,797	(170,281)	-	1,368,987
	<u>3,949,596</u>	<u>1,787,877</u>	<u>(1,995,691)</u>	<u>-</u>	<u>3,741,782</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	-	-	-	431,299	431,299
General funds	2,140,162	2,063,779	(1,668,816)	(431,299)	2,103,826
Restricted funds	1,438,735	124,762	(149,026)	-	1,414,471
	<u>3,578,897</u>	<u>2,188,541</u>	<u>(1,817,842)</u>	<u>-</u>	<u>3,949,596</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	547,445	1,349,757	1,897,202
Fixed asset investments	100	-	100
Current assets	2,038,805	19,230	2,058,035
Creditors due within one year	(213,555)	-	(213,555)
TOTAL	<u>2,372,795</u>	<u>1,368,987</u>	<u>3,741,782</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	488,226	1,389,693	1,877,919
Fixed asset investments	100	-	100
Current assets	2,298,579	24,778	2,323,357
Creditors due within one year	(251,780)	-	(251,780)
TOTAL	2,535,125	1,414,471	3,949,596

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(207,814)	370,699
ADJUSTMENTS FOR:		
Depreciation charges	69,507	67,564
Dividends, interests and rents from investments	(32,243)	(8,470)
(Increase)/decrease in debtors	231,673	(270,023)
Increase/(decrease) in creditors	(38,225)	46,848
NET CASH PROVIDED BY OPERATING ACTIVITIES	22,898	206,618

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	1,797,343	1,830,992
TOTAL CASH AND CASH EQUIVALENTS	1,797,343	1,830,992

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	<u>1,830,992</u>	<u>(33,649)</u>	<u>1,797,343</u>

23. PENSION COMMITMENTS

The Charitable Company 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 Charitable Company to the fund and amounted to £78,026 (2023: £74,082). Contributions totalling £6,794 (2023: £7,191) were payable to the fund at the balance sheet date.

24. OPERATING LEASE COMMITMENTS

At 31 March 2024 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	52,158	43,708
Later than 1 year and not later than 5 years	152,524	51,733
Later than 5 years	21,083	32,083
	<u>225,765</u>	<u>127,524</u>

25. RELATED PARTY TRANSACTIONS

During the year the Charity generated income of £76,119 (2023: £70,440) via a joint venture enterprise, Worcestershire Hospices Lottery Limited. The amount due to the Charity at the year end amounted to £19,974 (2023: £13,597).

THE PRIMROSE HOSPICE LIMITED

England & Wales - Charity number 700272

Accounts

Registered number: 02211941
Charity number: 700272

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees	J Alderson J Baldwin L Chapman B Cooper M Duncan R Laight M Leech D Locke M Mushen C Roberson M Webb P Whitehouse (appointed 4 April 2022, resigned 3 October 2022)
Company registered number	02211941
Charity registered number	700272
Registered office	Primrose Hospice St. Godwalds Road Bromsgrove Worcestershire B60 3BW
Company secretary	A Dalton
Chief executive officer	D Burrell
Independent auditors	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB
Bankers	Lloyds Bank plc 112 High Street Bromsgrove Worcestershire B61 8ES
Solicitors	Thomas Guise Solicitors 5 Foregate Street Worcester WR1 1DB

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their annual report together with the audited financial statements of the Charitable Company for the year 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. 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 (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as "small" under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

Based in Bromsgrove, Primrose Hospice is an established and highly respected charity. It has served the population of North East Worcestershire for 36 years.

In 2022/23 Primrose Hospice raised £2.19 million (£1.73 million in 2021/22) which includes an annual grant from the NHS. Around £1.9 million (£1.42million in 2021/22) of the monies raised was achieved thanks to the generous support of local people and businesses. The money raised is spent on supporting people with life limiting illnesses and their families during difficult and challenging times.

2022/23 was a year where Covid did not always dominate everything we do. We maintain our appropriate internal arrangements to protect everyone, but we have already made a remarkable return to face-to-face support being one of the first Hospices to do so.

The organisation is thriving in all areas with multiple notable achievements during 2022/23 including the following:

- Major improvements to our Family Support building interior creating more dedicated space for children's services and more areas that can be utilised to improve privacy.
- A strong focus on nurturing our staff team with the introduction of an Employee Assistance Program and a staff group set up to focus on retention, wellbeing and collaborative working.
- Renewing our British Association of Counselling and Psychotherapy (BACP) accreditation. We are one of a very few Hospices holding this accreditation.
- Fundraising Team improving our regular events and implementing novel events to our calendar, improving our reputation and our support from the community. Introducing a much improved and professional appearance to everything we do.
- Retail Team breaking records and ensuring that all shops work together and help each other to maximise our profit.
- More volunteers recruited and used in different ways. Corporate volunteering days being used in our shops and at the Hospice.
- Our support for Ukrainian refugees, offering opportunities to gain work experience in our retail facilities.
- New initiatives in Care including "neuro day" and footcare together with the hugely beneficial and uplifting "therapeutic singing" sessions.

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

- Improved marketing and communications with some memorable interviews on local radio, some superb newspaper articles and the advances made with social media recognised with an award.
- We continue to invest in services where financially prudent to do so. In 2023 we agreed investment in a renewed Primrose Hospice at Home service and employed 2 part-time Health Care Assistants. We look forward to this service establishing itself and developing for the benefit of our community.

There are so many things that everyone associated with this wonderful charity can be proud of.

Objectives and activities

a. Policies and objectives

Primrose Hospice aims to work to support adults with life-limiting illnesses and their families to offer a high quality, efficient and responsive service appropriate to the needs of an individual whatever the stage of their illness.

The objectives of Primrose Hospice are:

- To provide specialised palliative care for patients with progressive, advanced cancer and other diseases from which they will not recover, across the recognised domains of physical, psychological, social and spiritual care, thereby assisting patients to achieve quality in their daily living.
- To act as a point of liaison in issues of communication, ensuring patients and their families are involved in decisions concerning their care and treatment, allowing them to make informed choices.
- To provide information to patients and families, ensuring they have full knowledge of all the support services, financial benefits and aids they may require to achieve comfortable living.
- To provide emotional support to individual members of a patient's family (adult or child between the ages of 6 and 18) by the provision of trained volunteer support workers or counselling.
- To provide the opportunity for the patient and family to discuss their chosen place of care and eventual place of death, whether at home, in hospital or a nursing home.
- To provide supportive care for cancer patients, and patients with other life limiting illnesses, at any stage of their disease by the provision of counselling, information and complementary therapies.
- In providing the above services, we are benefiting the individuals who avail themselves of these services, together with their carers and families. It should also be noted that Primrose Hospice makes no charge for any of its services.

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

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Whilst the Charity developed a clear 5 year strategy in 2018, this has been revisited in 2022.

c. Activities undertaken to achieve objectives

We are proud to be able to support patients with life-limiting illnesses and their families, providing them with the care and support they need.

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

We offer a wide range of services to our patients, families, friends and carers. These include Day Hospice, Clinical Nurse Specialist services, Physiotherapy, Occupational Therapy, Wellbeing services, Counselling, Complementary Therapies and Family Support services for both adults and young people.

There are 2 main parts to our services and both teams work closely to deliver support to individuals and families:

Clinical and Wellbeing Team

Our Clinical and Wellbeing team provide a range of specialist support services for patients diagnosed with a life limiting illness. Our nurses and clinical support assistants work together with our therapists by talking to patients about their individual needs and developing person centred care plans.

Our Clinical and Care services aim to:

- help manage symptoms
- support with pain management
- provide wellbeing and emotional support
- help patients live as fully as possible alongside their conditions
- signpost and refer to other appropriate services both internally and externally

Physiotherapy and Occupational Therapy

Our Physiotherapist uses specialist assessment and therapeutic approaches to support patients to live as well, and as fully for as long as possible.

Our Occupational Therapy service enables a patient to gain the most independence and achieve the best possible quality of life they can, offering guidance on lifestyle management. In particular our therapist is able to provide advice about managing at home, including choosing and sourcing equipment from simple aids for daily living to more complex pieces of equipment, enabling people to stay in their home environment.

Wellbeing

Primrose Hospice's Wellbeing Service is designed to support those people with a life-limiting illness and their families and carers to help them manage and maintain their quality of life for as long as possible. The service is focused on meeting an individual's specific needs and is therefore tailored to their personal objectives and identified goals.

Family Support Team

Our Family Support service offers an empathetic ear to support people on their journey through different stages of either their own, or their loved one's life-limiting illness and is available when counselling is not appropriate. Families are supported both prior to and after a bereavement and our specialist counsellors and volunteers help individuals and families come to terms with losing someone they love. Service users can join one of our many support groups such as 'Cook n Share' which provides the opportunity to meet with others who have also experienced loss.

Our one to one British Association for Counselling and Psychotherapy (BACP) accredited Counselling Service, together with our Family Support volunteer services, are available to patients and families who are experiencing a life-limiting illness or who are bereaved. It provides an opportunity for patients and families to discuss and explore confusing thoughts and feelings when they are having difficulty coping.

The Children's team provide support to young people both pre and post bereavement (including following sudden deaths). The team will make an assessment and offer one to one support, group support or both where our younger clients can express their emotions through activities such as craft and play.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Benefits Advisors at the Hospice provide support and guidance to those who have been affected by a life-limiting illness and need help managing their finances. This can include:

- General advice
- Benefits checks and applications
- Employment issues
- Wills and probate
- Tax issues
- Debt and housing problems

Complementary Therapy

The Complementary Therapists are fully qualified and experienced practitioners, who volunteer their services for free at the Hospice. Complementary therapies provided at Primrose include:

- Acupuncture
- Aromatherapy
- Homeopathy
- Indian head massage
- Sound therapies
- Massage
- Reiki
- Relaxation and reflexology

Achievements and performance

a. Key performance indicators

Primrose Hospice's priority has continued to be to provide care for those with life limiting illness and support for their families.

Primrose Hospice's challenge continues to be to raise the funds to sustain our current services and respond to the increase in demand.

b. Review of activities

Primrose Hospice provides support to patients with life-limiting illnesses and families, providing them with the care and support they require during difficult times.

c. Investment policy and performance

There are no restrictions on the powers of the Trustees to invest the funds of Primrose Hospice. The current policy of the Trustees is to have regard to income requirements and any risks which have been identified and to retain any such funds as are required in short term bank deposit accounts. Primrose Hospice seeks to produce the best financial return within an acceptable level of risk. The investment objective for the short-term cash reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available, within 35 days, to meet unanticipated cash flow requirements.

The Trustees have reviewed the reserves of the charity, including the nature of the income and expenditure streams, the need to match variable income and fixed commitments and the nature of the reserves.

An investment policy was reviewed and updated at the Finance and Income Generation Committee and Board in July 2023 and is due for further review in July 2026.

Funds totalling £431,299 have been designated for future essential projects including maintenance, security, replacement of equipment and sustainability. These are unrestricted funds and approval of Trustees was given at the Finance Income and General Matters Committee in July 2023.

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

A breakdown of funds designated by project is shown in the table below. This includes high cost maintenance projects but also significant funding to support the organisation to move towards more sustainable energy supplies and offset our carbon footprint. We are committed to achieving net zero on emissions by 2050 and intend to take major steps towards this target by 2030.

Project	Total	Estimated / Quoted
PV Panels Coppice	£33,600	Quoted
PV Panels Main Hospice	£29,600	Quoted
EV Vehicles x 2	£60,990	Quoted
Electric Van	£60,839	Quoted
Biomass / boiler upgrade	£100,000	Estimated
Roofing	£50,000	Estimated
Security	£10,000	Estimated
Garden Improvements	£10,000	Estimated
IT hardware	£40,000	Estimated
Building repairs / developments	£20,000	Estimated
Dragons Den (Children's Facility)	£16,270	Quoted
TOTAL	£431,299	

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. This has been reviewed and the Trustees are confident there are sufficient reserves to ensure the Hospice remains a going concern beyond March 2024. 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 (Note 2.2).

b. Reserves policy

The Trustees actively review the major risks which the Charity faces and believe that maintaining reserves at a level to cover 6 months operating costs, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The organisation aspires to have 6 months' reserves at any time (currently 12.77 months). The Trustees have also examined other operational and business risks faced by the Charity, have produced a Risk Register and confirm that they have established systems to mitigate the significant risks.

Whilst reserves are greater than the Charity aspires to in 'normal' times. As there are risks around future income levels and an expected deficit budget during 2023/24, Trustees have accepted maintaining additional reserves as a prudent buffer in a time of great uncertainty around future income for the Charity.

c. Financial review

The Statement of Financial Activities (SOFA) shows designated, unrestricted and restricted reserves at £431,299, £2,103,826 and £1,414,471, respectively. In 2021/22 unrestricted reserves were £2,140,162, restricted reserves were £1,438,735 and there were no designated reserves.

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

Total incoming resources amounted to £2,188,541 (2022: £1,729,730). £283,713 of this was from statutory sources (£305,271 in 2022). For the other 87.04% (82.35% in 2022), Primrose Hospice remains heavily dependent on the generosity of our local community to support our retail shops, joint lottery and fundraising activities.

There was a surplus of £370,699 in 2023 (in 2022 the figure was £59,285).

d. Principal funding

National Health Service Grants

Grant income from the NHS was £273,981, which equates to 12.52 % of the Hospice's total funding. Primrose Hospice ensures that the limited resources are used responsibly to provide the best care and support to our community.

Worcestershire Hospices Lottery

Worcestershire Hospices Lottery, a joint venture with Acorns Children's Hospice and St. Richard's Hospice, generated income of £70,440 (2022: £105,935) for the Hospice.

Donations (Charitable Trusts, Fundraising & other donations)

Donations in 2023 were £511,279 compared to £447,966 in 2022, i.e. 23.36% of income.

Legacies and In Memoriam

Legacies and In Memoriam were £648,928 compared to £336,843 in 2022; 29.65% of income

Trading Activities

The income generated by Primrose's 6 retail shops was £653,605 compared to £533,399 in 2021/22.

Structure, governance and management

a. Constitution

The Primrose Hospice is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The Primrose Hospice is constituted under a Trust deed and is a registered charity number 700272.

The Primrose Hospice is a charitable company limited by guarantee, incorporated on 20th January 1988, and registered as a charity on the same date.

The Primrose Hospice was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount of £1 per member.

b. Methods of appointment or election of Trustees

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles, are known as members of the Board of Trustees. The Trustees when complete consist of at least seven and not more than twenty individuals over the age of 18, all of whom must support the Objects.

c. Organisational structure and decision making policies

The Board of Trustees administers the Charity. The Board meets at least 4 times a year and is responsible for the strategic direction and policy of the Charity.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

The Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the Charity and attends the Board Meetings, alongside members of the Senior Leadership Team. To facilitate effective operations, the Chief Executive Officer has delegated authority for operational matters.

d. Policies adopted for the induction and training of Trustees

The Trustees have a formal induction process which covers all Primrose Hospice policies and procedures and covers the Trustee Code of Conduct, the Trustee declaration, Confidentiality agreement, Nolan 7 Principles, The Charity Commission's publication 'The Essential Trustee' The Hospice UK 20 minute guide and Mandatory Training as undertaken by all volunteers.

e. Pay policy for key management personnel

Salaries are reviewed to ensure resources are used as efficiently as possible. This, along with benchmarking against similar local charities and assessing the complexity of the role, will provide a robust remuneration process.

f. Financial risk management

The Trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The Trustees and Senior Management Team plan to continue to deliver services for the Charity's clients, whilst managing other economic uncertainties on the Charity.

We will continue to enhance our services and increase utilisation where possible.

The Board are mindful that we are in a period of great uncertainty with escalating costs, uncertain income, rapidly rising inflation and the country in recession. The Board will take a cautious approach to any additional recurrent expenditure at present until the situation, particularly around income is clearer. Reserves are at higher than normal levels at present which will provide a buffer against any pending cost pressures.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

Disclosure of information to auditors

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are 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 charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



R Laight
Trustee

Date: 9/10/23.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023**

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

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

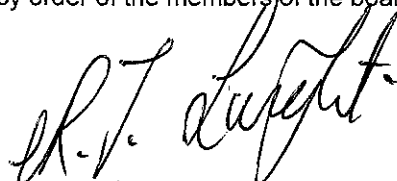
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

R Laight
Trustee

Date:


9/10/23

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED

OPINION

We have audited the financial statements of The Primrose Hospice Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 March 2023 and of its 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 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 charitable company 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 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 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

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

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In additions, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims and litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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

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

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with 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.



Andrew Wood FCCA (Senior statutory auditor)

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 23rd October 2023

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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	3	1,038,855	124,762	1,163,617	815,970
Charitable activities	4	280,303	-	280,303	274,110
Other trading activities	5	736,151	-	736,151	639,334
Investments	6	8,470	-	8,470	316
Total income		2,063,779	124,762	2,188,541	1,729,730
Expenditure on:					
Raising funds	7	685,956	-	685,956	625,711
Charitable activities	8	982,860	149,026	1,131,886	1,044,734
Total expenditure		1,668,816	149,026	1,817,842	1,670,445
Net movement in funds		394,963	(24,264)	370,699	59,285
Reconciliation of funds:					
Total funds brought forward		2,140,162	1,438,735	3,578,897	3,519,612
Net movement in funds		394,963	(24,264)	370,699	59,285
Total funds carried forward		2,535,125	1,414,471	3,949,596	3,578,897

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

The notes on pages 18 to 36 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02211941**

**BALANCE SHEET
AS AT 31 MARCH 2023**

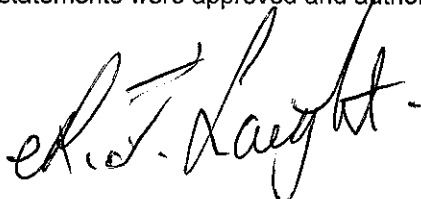
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,877,919	1,945,483
Investments	14	100	100
		<u>1,878,019</u>	<u>1,945,583</u>
Current assets			
Debtors	15	492,365	222,342
Cash at bank and in hand		1,830,992	1,615,904
		<u>2,323,357</u>	<u>1,838,246</u>
Creditors: amounts falling due within one year	16	(251,780)	(204,932)
Net current assets		<u>2,071,577</u>	<u>1,633,314</u>
Total net assets		<u><u>3,949,596</u></u>	<u><u>3,578,897</u></u>
Charity funds			
Restricted funds	17	1,414,471	1,438,735
Unrestricted funds	17	2,535,125	2,140,162
Total funds		<u><u>3,949,596</u></u>	<u><u>3,578,897</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:

R Laight
Trustee



J Baldwin
Trustee



Date: 9/10/2023

The notes on pages 18 to 36 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	20	206,618	60,561
Cash flows from investing activities			
Dividends, interests and rents from investments		8,470	316
Purchase of tangible fixed assets		-	(24,591)
Net cash provided by/(used in) investing activities		8,470	(24,275)
Change in cash and cash equivalents in the year			
Cash and cash equivalents at the beginning of the year		1,615,904	1,579,618
Cash and cash equivalents at the end of the year	21	1,830,992	1,615,904

The notes on pages 18 to 36 form part of these financial statements

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. GENERAL INFORMATION

The Primrose Hospice is a private Charitable Company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Primrose Hospice, St. Godwalds Road, Bromsgrove, Worcestershire, B60 3BW.

The principal activity of the Charitable Company is as disclosed in the Trustees' report, starting on page 2.

The accounts are presented in GBP and are rounded to the nearest GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

2.2 GOING CONCERN

The Trustees have reviewed financial projection forecasts for a period of at least 18 months following the date of approval of the financial statements. Reserves and bank balances are both strong. The Charitable Company has a net asset value as at 31 March 2023 of £3,949,597 (2022: £3,578,897) with 10.9% of the reserves being held as designated funds and 53.3% of the reserves being held as general unrestricted funds. The freehold property has a net book value totalling £1,860,671 (2022: £1,915,867) and the cash at bank is £1,830,993 (2022: £1,615,904).

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for this reason, the financial statements have been prepared on a going concern basis.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Grants are included in the 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.

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

2.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Charitable Company 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 Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (continued)

2.7 TAXATION

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

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2-10% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Office equipment	- 25% 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 Statement of Financial Activities.

Investments in joint ventures are stated at the amount of the Charitable Company's share of net assets. The Statement of Financial Activities includes the Charitable Company's share of the joint ventures' net income or expenditure using the equity accounting basis. As the joint venture is a charity, the investment is presented within restricted funds.

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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES (continued)

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.

2.13 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 Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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 Statement of Financial Activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

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

2.15 PENSIONS

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company 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 Charitable Company and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	389,927	121,352	511,279	430,101
Legacies	597,670	-	597,670	300,636
Children in Need grant	-	-	-	17,865
Government grants	-	3,410	3,410	31,161
In memoriam	51,258	-	51,258	36,207
	<u>1,038,855</u>	<u>124,762</u>	<u>1,163,617</u>	<u>815,970</u>
TOTAL 2022	<u>720,194</u>	<u>95,776</u>	<u>815,970</u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
CCG funding - Hospice services	273,981	273,981	267,560
Student placement income	6,322	6,322	6,550
	<u>280,303</u>	<u>280,303</u>	<u>274,110</u>
TOTAL 2022	<u>274,110</u>	<u>274,110</u>	

**THE PRIMROSE HOSPICE LIMITED
(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 £
Shop and eBay sales	582,606	582,606	475,563
Ragging income	13,856	13,856	11,993
Gift Aid income	57,143	57,143	28,474
Other income	12,106	12,106	35
Retail, Hospitality and Leisure	70,440	70,440	123,269
	<u>736,151</u>	<u>736,151</u>	<u>639,334</u>
TOTAL 2022	<u>639,334</u>	<u>639,334</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	8,470	8,470	316
	<u>8,470</u>	<u>8,470</u>	<u>316</u>
TOTAL 2022	<u>316</u>	<u>316</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. EXPENDITURE ON RAISING FUNDS

FUNDRAISING EXPENSES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising non-staff costs	69,474	69,474	46,634
Fundraising staff costs	147,491	147,491	149,997
	<u>216,965</u>	<u>216,965</u>	<u>196,631</u>
TOTAL 2022	<u>196,631</u>	<u>196,631</u>	

CHARITY SHOP EXPENSES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Charity shop non-staff costs	203,391	203,391	199,417
Charity staff costs	265,600	265,600	229,663
	<u>468,991</u>	<u>468,991</u>	<u>429,080</u>
TOTAL 2022	<u>429,080</u>	<u>429,080</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Operation of Hospice	982,860	149,026	1,131,886	1,044,734
TOTAL 2022	<u>905,013</u>	<u>139,721</u>	<u>1,044,734</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Operation of Hospice	800,746	331,140	1,131,886	1,044,734
TOTAL 2022	<u>732,853</u>	<u>311,881</u>	<u>1,044,734</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £	Total funds 2022 £
Staff costs	567,238	527,109
Depreciation	67,564	76,936
Project costs	-	3,204
Care equipment	2,733	2,341
Utilities	43,779	24,131
Education and training	9,121	7,025
Laundry and cleaning	27,194	24,118
Patient interaction	12,543	21,033
Repairs and maintenance	36,018	25,526
Printing, stationery and postage	7,967	6,118
Consumables	6,599	3,845
Travel	19,990	11,467
	800,746	732,853

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Staff costs	252,320	236,204
Recruitment expenses	1,518	3,019
Insurance	17,294	12,105
IT consumables	20,704	16,651
Education and training	1,670	1,325
Telephone	5,828	5,986
Miscellaneous expenses	3,632	8,818
Consultancy fees	12,265	13,500
Audit and accountancy fees	11,804	10,355
Printing, stationery and postage	3,962	3,738
Bank charges	143	180
	331,140	311,881

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	9,215	8,150
Fees payable to the Charitable Company's auditor in respect of: Preparation of the annual accounts	2,615	2,155

11. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,067,660	997,990
Social security costs	90,907	78,365
Contribution to defined contribution pension schemes	74,082	66,618
	1,232,649	1,142,973

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

	2023	2022
	No.	No.
Hospice services	23	21
Fundraising	7	7
Management & administration	9	8
Merchandising	11	13
	50	49

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charitable Company is represented by the roles of Chief Executive Officer, Head of Clinical Services, Head of Family Support and Chief Operating Officer. The total employee benefits of the key management personnel were £228,315 (2022: £219,395), including employer's pension contributions.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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).

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION					
At 1 April 2022	2,684,955	15,730	74,956	61,097	2,836,738
At 31 March 2023	<u>2,684,955</u>	<u>15,730</u>	<u>74,956</u>	<u>61,097</u>	<u>2,836,738</u>
DEPRECIATION					
At 1 April 2022	769,088	11,270	73,189	37,708	891,255
Charge for the year	55,196	1,115	1,767	9,486	67,564
At 31 March 2023	<u>824,284</u>	<u>12,385</u>	<u>74,956</u>	<u>47,194</u>	<u>958,819</u>
NET BOOK VALUE					
At 31 March 2023	<u><u>1,860,671</u></u>	<u><u>3,345</u></u>	<u><u>-</u></u>	<u><u>13,903</u></u>	<u><u>1,877,919</u></u>
At 31 March 2022	<u><u>1,915,867</u></u>	<u><u>4,460</u></u>	<u><u>1,767</u></u>	<u><u>23,389</u></u>	<u><u>1,945,483</u></u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. FIXED ASSET INVESTMENTS

	Investment in joint ventures £
COST OR VALUATION	
At 1 April 2022	100
AT 31 MARCH 2023	<u>100</u>
NET BOOK VALUE	
AT 31 MARCH 2023	<u>100</u>
AT 31 MARCH 2022	<u>100</u>

PRINCIPAL JOINT VENTURES

The following was a joint venture of the Charitable Company:

Name	Fair value of investment £	Profit for the year £
Worcestershire Hospices Lottery Limited	100	70,440

The Charitable Company has a one third shared holding in a joint venture, Worcester Hospices Lottery Limited, which entitles the Charitable Company to a third of its distributable reserves.

15. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	10,391	5,127
Amounts owed by joint venture	-	34,404
Other debtors	449	1,431
Prepayments and accrued income	470,632	173,418
Tax recoverable	10,893	7,962
	<u>492,365</u>	<u>222,342</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	163,972	127,223
Other creditors	12,804	11,907
Accruals and deferred income	75,004	65,802
	<u>251,780</u>	<u>204,932</u>

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated funds	-	-	-	431,299	431,299
GENERAL FUNDS					
General funds	2,140,162	2,063,779	(1,668,816)	(431,299)	2,103,826
TOTAL UNRESTRICTED FUNDS	2,140,162	2,063,779	(1,668,816)	-	2,535,125
RESTRICTED FUNDS					
2004 Capital Appeal	306,869	-	(9,742)	-	297,127
2008 Squaring the Circle	101,680	-	(2,825)	-	98,855
Bromsgrove District Council	4,229	-	(1,114)	-	3,115
Department of Health - 2010 grant	558,480	-	(14,320)	-	544,160
Grand Lodge of Mark Master Masons	32,072	-	(823)	-	31,249
Sensory Garden	5,000	-	(2,000)	-	3,000
Department of Health - Garden Room	425,204	-	(10,064)	-	415,140
Interserve	610	-	(448)	-	162
Bumblehole Foods	1,763	-	(1,763)	-	-
Eveson Trust	-	33,789	(33,789)	-	-
Kildare Trust	-	24,000	(24,000)	-	-
Stoke Prior Bares	-	18,956	(1,775)	-	17,181
National Lottery Com Fund	-	9,630	(9,630)	-	-
Other small funds	2,828	38,387	(36,733)	-	4,482
	1,438,735	124,762	(149,026)	-	1,414,471
TOTAL OF FUNDS	3,578,897	2,188,541	(1,817,842)	-	3,949,596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. STATEMENT OF FUNDS (CONTINUED)

The specific purposes for which the funds are to be applied are as follows:

2004 Capital Appeal - Funding raised by the charity for an extension to the original building and are reduced annually by an amount equivalent to the depreciation charge in respect of that building cost.

2008 Squaring the Circle - Funding received from the Department of Health supporting Dignity in Care for older people. The grant funded the construction of a covered walkway and a hexagonal spiritual room, the cost of which is depreciated annually.

Bromsgrove District Council - The funds were received to fund our new Wellbeing project, designed to support people with a life limiting illness in managing and maintaining their quality of life.

Department of Health - Garden Room - Funding received from the Department of Health to provide new accommodation space for day patients.

Grand Lodge of Mark Master Masons - Funds raised by the charity for the fixtures, fittings and equipment in the family support centre.

Bumblehole Foods - Funds received to install new LED lights into the main Hospice building and the Coppice Centre, thus reducing ongoing costs and environmental impact.

Other Funds - A number of additional donations were received throughout the year which will help fund the provision of group support, IT, building work and other ad hoc items.

Hospice and Family Support Services - Funds received from various sources to help support and maintain our core services.

Designated Funds – Funds totalling £431,299 have been designated for future essential projects. A breakdown of funds designated by project is shown in the table on page 6. This includes high cost maintenance projects but also significant funding to support the organisation to move towards more sustainable energy supplies and offset our carbon footprint. We are committed to achieving net zero on emissions by 2050 and intend to take major steps towards this target by 2030.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS				
General funds	2,036,932	1,633,954	(1,530,724)	2,140,162
RESTRICTED FUNDS				
2004 Capital Appeal	316,611	-	(9,742)	306,869
2008 Squaring the Circle	104,505	-	(2,825)	101,680
Bromsgrove District Council	5,715	-	(1,486)	4,229
Department of Health - 2010 grant	572,800	-	(14,320)	558,480
Grand Lodge of Mark Master Masons	32,895	-	(823)	32,072
Sensory Garden	7,000	-	(2,000)	5,000
Department of Health - Garden Room	435,268	-	(10,064)	425,204
Interserve	1,058	-	(448)	610
Bumblehole Foods	5,292	-	(3,529)	1,763
Stoke Prior Bares	-	56,731	(56,731)	-
JRS Scheme	-	4,629	(4,629)	-
NHSE Funding	-	26,532	(26,532)	-
Other small funds	1,536	7,884	(6,592)	2,828
	<u>1,482,680</u>	<u>95,776</u>	<u>(139,721)</u>	<u>1,438,735</u>
TOTAL OF FUNDS	<u><u>3,519,612</u></u>	<u><u>1,729,730</u></u>	<u><u>(1,670,445)</u></u>	<u><u>3,578,897</u></u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	-	-	-	431,299	431,299
General funds	2,140,162	2,063,779	(1,668,816)	(431,299)	2,103,826
Restricted funds	1,438,735	124,762	(149,026)	-	1,414,471
	<u>3,578,897</u>	<u>2,188,541</u>	<u>(1,817,842)</u>	<u>-</u>	<u>3,949,596</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
General funds	2,036,932	1,633,954	(1,530,724)	2,140,162
Restricted funds	1,482,680	95,776	(139,721)	1,438,735
	<u>3,519,612</u>	<u>1,729,730</u>	<u>(1,670,445)</u>	<u>3,578,897</u>

19. 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	488,226	1,389,693	1,877,919
Fixed asset investments	100	-	100
Current assets	2,298,579	24,778	2,323,357
Creditors due within one year	(251,780)	-	(251,780)
TOTAL	<u>2,535,125</u>	<u>1,414,471</u>	<u>3,949,596</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	517,012	1,428,471	1,945,483
Fixed asset investments	100	-	100
Current assets	1,827,982	10,264	1,838,246
Creditors due within one year	(204,932)	-	(204,932)
TOTAL	<u>2,140,162</u>	<u>1,438,735</u>	<u>3,578,897</u>

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	<u>370,699</u>	<u>59,285</u>
ADJUSTMENTS FOR:		
Depreciation charges	67,564	76,936
Dividends, interests and rents from investments	(8,470)	(316)
(Increase)/decrease in debtors	(270,023)	(88,859)
Increase in creditors	46,848	13,515
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>206,618</u>	<u>60,561</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand	<u>1,830,992</u>	<u>1,615,904</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>1,830,992</u>	<u>1,615,904</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	<u>1,615,904</u>	<u>215,088</u>	<u>1,830,992</u>

23. PENSION COMMITMENTS

The Charitable Company 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 Charitable Company to the fund and amounted to £74,082 (2022: £66,618). Contributions totalling £7,191 (2022: £6,019) were payable to the fund at the balance sheet date.

24. OPERATING LEASE COMMITMENTS

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

	2023 £	2022 £
Not later than 1 year	43,708	75,773
Later than 1 year and not later than 5 years	51,733	84,441
Later than 5 years	32,083	43,083
	<u>127,524</u>	<u>203,297</u>

25. RELATED PARTY TRANSACTIONS

During the year the Charity generated income of £70,440 (2022: £105,935) via a joint venture enterprise, Worcestershire Hospices Lottery Limited, which has a Trustee in common, M Leech. The amount due to the Charity at the year end amounted to £13,597 (2022: £34,466).

THE PRIMROSE HOSPICE LIMITED

England & Wales - Charity number 700272

Accounts

Registered number: 02211941
Charity number: 700272

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	J Alderson J Baldwin L Chapman B Cooper M Duncan R Laight M Leech D Locke M Mushen C Roberson M Webb P Whitehouse (appointed 4 April 2022)
Company registered number	02211941
Charity registered number	700272
Registered office	Primrose Hospice St. Godwalds Road Bromsgrove Worcestershire B60 3BW
Company secretary	A Dalton
Chief executive officer	D Burrell
Independent auditors	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB
Bankers	Lloyds Bank plc 112 High Street Bromsgrove Worcestershire B61 8ES
Solicitors	Thomas Guise Solicitors 5 Foregate Street Worcester WR1 1DB

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees present their annual report together with the audited financial statements of the Charitable Company for the 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. 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 (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

Based in Bromsgrove, Primrose Hospice is an established and highly respected charity. It has served the population of North East Worcestershire for over 35 years.

In 2021/22 Primrose Hospice raised £1.73 million (£1.986 million in 2020/21) which includes an annual grant from the NHS and a start-up retail grant from the government given in response to the COVID 19 pandemic. Around £1.42 million of the monies raised was achieved thanks to the generous support of local people and businesses. The money raised is spent on supporting people with life limiting illnesses and their families during difficult and challenging times.

Whilst the period to March 2022 has still been impacted to some extent by the Covid-19 pandemic, we have begun to return our services safely to face-to face. In fact we were one of the first hospices to return to this way of working, recognising the importance of direct human contact in supporting our community.

We are justifiably proud of our contribution during Covid and emerge as a viable organisation equipped to build on the lessons that we learnt during this challenging time and determined to further improve our services.

Objectives and activities

a. Policies and objectives

Primrose Hospice aims to work to support adults with life-limiting illnesses and their families to offer a high quality, efficient and responsive service appropriate to the needs of an individual whatever the stage of their illness.

The objectives of Primrose Hospice are:

- To provide specialised palliative care for patients with progressive, advanced cancer and other diseases from which they will not recover, across the recognised domains of physical, psychological, social and spiritual care, thereby assisting patients to achieve quality in their daily living.
- To act as a point of liaison in issues of communication, ensuring patients and their families are involved in decisions concerning their care and treatment, allowing them to make informed choices.
- To provide information to patients and families, ensuring they have full knowledge of all the support services, financial benefits and aids they may require to achieve comfortable living.
- To provide emotional support to individual members of a patient's family (adult or child between the ages of 6 and 18) by the provision of trained volunteer support workers or counselling.
- To provide the opportunity for the patient and family to discuss their chosen place of care and eventual place of death, whether at home, in hospital or a nursing home.
- To provide supportive care for cancer patients, and patients with other life limiting illnesses, at any stage of their disease by the provision of counselling, information and complementary therapies.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Objectives and activities (CONTINUED)

- In providing the above services, we are benefiting the individuals who avail themselves of these services, together with their carers and families. It should also be noted that Primrose Hospice makes no charge for any of its services.
- The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Whilst the Charity developed a clear 5-year strategy in 2018, this has been revisited in 2020 to ensure we respond to the challenges and opportunities that the COVID-19 pandemic has presented.

During 2022, Primrose Hospice has invested in additional nursing, support and family support posts.

c. Activities undertaken to achieve objectives

Some of our services have been maintained remotely or utilising online methods. Our staff have continued to support people face to face and in their homes on an exception basis after a full risk assessment.

Our core services include:

Clinical and Well-being Services

Our Clinical & Wellbeing Services provide a range of support for people living with a life-limiting illness.

Day Hospice

Our Day Hospice is aimed at helping patients not only manage their illness and symptoms but also achieve goals.

- Patients, and where appropriate their carer, will have the opportunity to learn techniques to help manage feelings of extreme tiredness, relax, meditate, prevent falls and undertake gentle exercise.
- A light lunch is also provided free of charge. Special dietary requirements can be accommodated.

Physiotherapy and Occupational Therapy

Primrose's Physiotherapist and Occupational Therapist aim to help people remain as independent as possible by helping them to adapt to any changes that may occur. They offer the opportunity to take part in various workshops which may include fatigue, anxiety and breathlessness.

They can help people live more comfortably at home by providing education and advice along with movement and exercise, relaxation and mobility work.

Wellbeing

Our Wellbeing Support is designed for people with a life-limiting illness to help them manage and maintain their quality of life.

The Wellbeing Service is aimed at meeting your individual needs and is therefore tailored to an individual's specific needs and goals.

Objectives and activities (CONTINUED)

We offer various support groups and sessions aimed at improving wellbeing.

Counselling

Our counselling service is available to patients and families who are experiencing a life-limiting illness or who are bereaved.

We also offer a bereavement service for anyone experiencing an unexpected death in last three years.

Clients will receive one to one support with one of our volunteer counsellors, weekly, initially for 6 weeks but this can be increased to 12 weeks.

We are BACP (British Association of Counselling and Psychotherapy) accredited since 2011.

Family Support

Our Family Support is available where counselling is not appropriate (for example, if people feel they can't commit to weekly sessions or counselling level of support is not required).

We have a team of adult family support volunteers who support people at Primrose Hospice and in their own homes.

Children and Young People

This service is available to children and young people who have someone they are close to with a life-limiting illness or who are bereaved.

We can support children under five through their parents.

Our team will assess the person's needs and they will be offered one to one support or groups support or both.

Our one to one sessions will often be activity based depending on age of the child.

Complementary Therapy

Our team of fully qualified therapists can provide patients and families with a range of therapies and a treatment plan.

A treatment plan will be agreed following a full assessment by the Complementary Therapies Co-ordinator.

Complementary Therapies do not offer a cure, but can bring relief for some specific symptoms, and side effects of medications.

Groups

Group support can be very helpful and within Family Support we have a variety of regular groups. The main purpose of a group is to provide a safe environment for discussion and mutual support with others who have similar experiences.

Our group support includes both before and after bereavement for both adults and children.

We also offer several Complementary therapy groups including yoga.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Objectives and activities (CONTINUED)

Benefits

Patients and families can be supported through benefits, housing, employment, debt and bereavement issues either face to face or by phone.

We can help ensure that they are receiving all the benefits they are entitled to.

The Benefits Adviser is also on hand to assist with applications.

Our Family Support Team work closely with our Clinical & Wellbeing Team to ensure we are offering a holistic approach to support.

Achievements and performance

a. Key performance indicators

Primrose Hospice's priority has continued to be to provide care for those with life limiting illness and support for their families.

Primrose Hospice's challenge continues to be to raise the funds to sustain our current services and respond to the increase in demand.

b. Review of activities

Primrose Hospice provides support to patients with life limiting illnesses and their families, providing them with the care and support they require during difficult times.

c. Investment policy and performance

There are no restrictions on the powers of the Trustees to invest the funds of Primrose Hospice. The current policy of the Trustees is to have regard to income requirements and any risks which have been identified and to retain any such funds as are required in short term bank deposit accounts. Primrose Hospice seeks to produce the best financial return within an acceptable level of risk. The investment objective for the short term cash reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available, within 35 days, to meet unanticipated cash flow requirements.

The Trustees have reviewed the reserves of the charity, including the nature of the income and expenditure streams, the need to match variable income and fixed commitments and the nature of the reserves.

An investment policy was reviewed and updated at the Finance and Income Generation Committee and Board in 2020.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. This has been reviewed and the Trustees are confident there are sufficient reserves to ensure the Hospice remains a going concern beyond March 2023. 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 (Note 2.2).

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

b. Reserves policy

The Trustees actively review the major risks which the Charity faces and believe that maintaining reserves at a level to cover 6 months operating costs, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The organisation aspires to have 6 months' reserves at any time (currently 12.3 months). The Trustees have also examined other operational and business risks faced by the Charity, have produced a Risk Register and confirm that they have established systems to mitigate the significant risks.

Whilst reserves are greater than the Charity aspires to in 'normal' times, the Trustees are aware that this has been achieved during the pandemic and is largely due to additional temporary financial support and temporarily decreased cost base (e.g. furlough). As there are risks around future income levels, Trustees have accepted maintaining additional reserves as a prudent buffer in a time of great uncertainty around future income for the Charity.

c. Financial review

The Statement of Financial Activities (SOFA) shows restricted and unrestricted reserves at £1,438,735 and £2,140,162, respectively. In 2020/21 they were £1,482,680 and £2,036,932 respectively.

Total incoming resources amounted to £1,729,730 (2021: £1,986,498). £305,271 of this was from statutory sources (£813,813 in 2021). For the other 82.35% (40.9% in 2021), Primrose Hospice remains heavily dependent on the generosity of our local community to support our retail shops, joint lottery and fundraising activities.

There was a surplus of £59,285 in 2022 (in 2021 the figure was £481,673).

d. Principal funding

National Health Service Grants

Grant income from the NHS was £267,560, which equates to 15.5% of the Hospice's total funding. Primrose Hospice ensures that the limited resources are used responsibly to provide the best care and support to our community.

Worcestershire Hospices Lottery

Worcestershire Hospices Lottery, a joint venture with Acorns Children's Hospice and St. Richard's Hospice, generated income of £105,935 (2021: £117,391) for the Hospice.

Donations (Charitable Trusts, Fundraising & other donations)

Donations in 2022 were £447,966 compared to £502,054 in 2021, i.e. 25.9% of income.

Legacies and In Memoriam

Legacies and In Memoriam were £336,843 compared to £336,889 in 2021; 19.47% of income.

Trading Activities

The income generated by Primrose's 6 retail shops was £533,399 compared to £215,733 in the previous year (when shops were closed for periods during the pandemic). This represents 30.84% of income.

Structure, governance and management

a. Constitution

The Primrose Hospice is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The Primrose Hospice is constituted under a Trust deed and is a registered charity number 700272.

Structure, governance and management (CONTINUED)

The Primrose Hospice is a charitable company limited by guarantee, incorporated on 20th January 1988, and registered as a charity on the same date.

The Primrose Hospice was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount of £1 per member.

b. Methods of appointment or election of Trustees

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles, are known as members of the Board of Trustees. The Trustees when complete consist of at least seven and not more than twenty individuals over the age of 18, all of whom must support the Objects.

c. Organisational structure and decision-making policies

The Board of Trustees administers the Charity. The Board meets at least 4 times a year and is responsible for the strategic direction and policy of the Charity.

The Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the Charity and attends the Board Meetings, alongside members of the Senior Leadership Team. To facilitate effective operations, the Chief Executive Officer has delegated authority for operational matters.

d. Policies adopted for the induction and training of Trustees

The Trustees have a formal induction process which covers all Primrose Hospice policies and procedures and covers the Trustee Code of Conduct, the Trustee declaration, Confidentiality agreement, Nolan 7 Principles, The Charity Commission's publication 'The Essential Trustee' The Hospice UK 20 minute guide and Mandatory Training as undertaken by all volunteers.

e. Pay policy for key management personnel

Salaries are reviewed to ensure resources are used as efficiently as possible. This, along with benchmarking against similar local charities and assessing the complexity of the role, will provide a robust remuneration process.

f. Financial risk management

The Trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The Trustees and Senior Management Team plan to continue to deliver services for the Charity's clients, whilst managing the impacts of Covid 19 and other economic uncertainties on the Charity.

We will continue to enhance our services and increase utilisation.

The Board are mindful that we are in a period of great uncertainty with escalating costs, uncertain income, rapidly rising inflation and the country predicted to enter recession. The Board will take a cautious approach to any additional recurrent expenditure at present until the situation, particularly around income is clearer. Reserves are at higher than normal levels at present which will provide a buffer against pending cost pressures.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

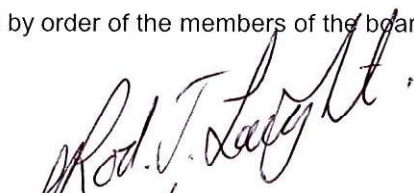
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors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

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue inoffice. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

R Laight
Trustee
Date:


3/10/22

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED

OPINION

We have audited the financial statements of The Primrose Hospice Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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:

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

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 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.

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:

The procedures undertaken in order to identify and assess risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, are as follows:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the Chair of the Board about their own identification and assessment of the risk of irregularities
- For any matters identified we have obtained and reviewed the Charity's documentation of their policies and procedures relating to;
 - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
 - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- Revenue recognition; and
- Accounting estimates.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations and employment legislation.

Audit response to risks identified:

As a result of performing the above procedures, we have identified revenue recognition and accounting estimates as key audit matters related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;
- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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



Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 14th October 2022

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	720,194	95,776	815,970	1,245,847
Charitable activities	4	274,110	-	274,110	406,909
Other trading activities	5	639,334	-	639,334	333,124
Investments	6	316	-	316	618
Total income		1,633,954	95,776	1,729,730	1,986,498
Expenditure on:					
Raising funds	7	625,711	-	625,711	499,557
Charitable activities	8	905,013	139,721	1,044,734	1,005,268
Total expenditure		1,530,724	139,721	1,670,445	1,504,825
Net movement in funds		103,230	(43,945)	59,285	481,673
Reconciliation of funds:					
Total funds brought forward		2,036,932	1,482,680	3,519,612	3,037,939
Net movement in funds		103,230	(43,945)	59,285	481,673
Total funds carried forward		2,140,162	1,438,735	3,578,897	3,519,612

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 34 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02211941**

**BALANCE SHEET
AS AT 31 MARCH 2022**

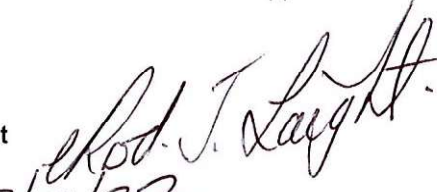
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	1,945,483	1,997,828
Investments	14	100	100
		<u>1,945,583</u>	<u>1,997,928</u>
Current assets			
Debtors	15	222,342	133,483
Cash at bank and in hand		1,615,904	1,579,618
		<u>1,838,246</u>	<u>1,713,101</u>
Creditors: amounts falling due within one year	16	(204,932)	(191,417)
Net current assets		<u>1,633,314</u>	<u>1,521,684</u>
Total assets less current liabilities		<u>3,578,897</u>	<u>3,519,612</u>
Total net assets		<u><u>3,578,897</u></u>	<u><u>3,519,612</u></u>
Charity funds			
Restricted funds	18	1,438,735	1,482,680
Unrestricted funds	18	2,140,162	2,036,932
Total funds		<u><u>3,578,897</u></u>	<u><u>3,519,612</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:

R Laight
Trustee
Date: 3/10/22



J Baldwin
Trustee



The notes on pages 16 to 34 form part of these financial statements.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	21	60,561	700,330
Cash flows from investing activities			
Dividends, interests and rents from investments		316	10,702
Purchase of tangible fixed assets		(24,591)	-
Net cash (used in)/provided by investing activities		(24,275)	10,702
Change in cash and cash equivalents in the year		36,286	711,032
Cash and cash equivalents at the beginning of the year		1,579,618	868,586
Cash and cash equivalents at the end of the year	22	1,615,904	1,579,618

The notes on pages 16 to 34 form part of these financial statements

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. GENERAL INFORMATION

The Primrose Hospice is a private Charitable Company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Primrose Hospice, St. Godwalds Road, Bromsgrove, Worcestershire, B60 3BW.

The principal activity of the Charitable Company is as disclosed in the Trustees' report, starting on page 2.

The accounts are presented in GBP and are rounded to the nearest GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

2.2 GOING CONCERN

The Trustees have reviewed financial projection forecasts for a period of at least 18 months following the date of approval of the financial statements. Reserves and bank balances are both strong. The Charitable Company has a net asset value as at 31 March 2022 of £3,578,897 (2021: £3,519,612) with 59.8% of the reserves held being unrestricted. The freehold property has a net book value totalling £1,915,867 (2021: £1,971,062) and the cash at bank is £1,615,904 (2021: £1,579,618).

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for this reason, the financial statements have been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Grants are included in the 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.

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

2.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Charitable Company 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 Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.7 TAXATION

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

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2-10% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Office equipment	- 25% 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 Statement of financial activities.

Investments in joint ventures are stated at the amount of the Charitable Company's share of net assets. The Statement of financial activities includes the Charitable Company's share of the joint ventures' net income or expenditure using the equity accounting basis. As the joint venture is a charity, the investment is presented within restricted funds.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

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.

2.13 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 Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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 Statement of financial activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

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

2.15 PENSIONS

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company 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 Charitable Company 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 Charitable Company 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.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	365,486	64,615	430,101	473,913
Legacies	300,636	-	300,636	284,278
Children in Need grant	17,865	-	17,865	28,141
Government grants	-	31,161	31,161	406,904
In memoriam	36,207	-	36,207	52,611
	<u>720,194</u>	<u>95,776</u>	<u>815,970</u>	<u>1,245,847</u>
TOTAL 2021	<u><u>835,893</u></u>	<u><u>409,954</u></u>	<u><u>1,245,847</u></u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
CCG funding - Hospice services	267,560	267,560	400,729
Student placement income	6,550	6,550	6,180
	<u>274,110</u>	<u>274,110</u>	<u>406,909</u>
TOTAL 2021	<u><u>406,909</u></u>	<u><u>406,909</u></u>	

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Shop and eBay sales	475,563	475,563	141,883
Ragging income	11,993	11,993	4,932
Gift Aid income	28,474	28,474	6,526
Other income	35	35	-
Retail, Hospitality and Leisure	123,269	123,269	179,783
	<u>639,334</u>	<u>639,334</u>	<u>333,124</u>
TOTAL 2021	<u>333,124</u>	<u>333,124</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	316	316	618
TOTAL 2021	<u>618</u>	<u>618</u>	

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. EXPENDITURE ON RAISING FUNDS

FUNDRAISING EXPENSES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising non-staff costs	46,634	46,634	27,563
Fundraising staff costs	149,997	149,997	141,785
	<u>196,631</u>	<u>196,631</u>	<u>169,348</u>
TOTAL 2021	<u>169,348</u>	<u>169,348</u>	

CHARITY SHOP EXPENSES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Charity shop non-staff costs	199,417	199,417	136,340
Charity staff costs	229,663	229,663	193,869
	<u>429,080</u>	<u>429,080</u>	<u>330,209</u>
TOTAL 2021	<u>330,209</u>	<u>330,209</u>	

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Operation of Hospice	905,013	139,721	1,044,734	1,005,268
TOTAL 2021	543,166	462,102	1,005,268	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Operation of Hospice	732,853	311,881	1,044,734	1,005,268
TOTAL 2021	696,149	309,119	1,005,268	

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	527,109	527,109	471,012
Depreciation	76,936	76,936	74,249
Project costs	3,204	3,204	3,639
Care equipment	2,341	2,341	712
Utilities	24,131	24,131	32,988
Education and training	7,025	7,025	4,400
Laundry and cleaning	24,118	24,118	22,351
Patient interaction	21,033	21,033	51,896
Repairs and maintenance	25,526	25,526	25,114
Printing, stationery and postage	6,118	6,118	4,083
Consumables	3,845	3,845	161
Travel	11,467	11,467	5,544
	<u>732,853</u>	<u>732,853</u>	<u>696,149</u>
TOTAL 2021	<u>696,149</u>	<u>696,149</u>	

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	236,204	236,204	216,585
Recruitment expenses	3,019	3,019	1,082
Insurance	12,105	12,105	13,799
IT consumables	16,651	16,651	25,481
Education and training	1,325	1,325	214
Telephone	5,986	5,986	7,823
Miscellaneous expenses	8,818	8,818	6,348
Consultancy fees	13,500	13,500	22,954
Audit and accountancy fees	10,355	10,355	11,520
Printing, stationery and postage	3,738	3,738	3,137
Bank charges	180	180	176
	<u>311,881</u>	<u>311,881</u>	<u>309,119</u>
TOTAL 2021	<u>309,119</u>	<u>309,119</u>	

10. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	8,150	8,000
Fees payable to the Charitable Company's auditor in respect of: Preparation of the annual accounts	2,155	2,150

11. STAFF COSTS

	2022 £	2021 £
Wages and salaries	997,990	906,880
Social security costs	78,365	67,920
Contribution to defined contribution pension schemes	66,618	48,451
	<u>1,142,973</u>	<u>1,023,251</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. STAFF COSTS (CONTINUED)

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

	2022	2021
	No.	No.
Hospice services	21	24
Fundraising	7	6
Management & administration	8	7
Merchandising	13	12
	<u>49</u>	<u>49</u>

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charitable Company is represented by the roles of Chief Executive Officer, Head of Clinical Services, Head of Family Support and Chief Operating Officer. The total employee benefits of the key management personnel were £242,561 (2021: £198,670), including employer's pension and National Insurance contributions.

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION					
At 1 April 2021	2,684,955	15,730	74,956	36,506	2,812,147
Additions	-	-	-	24,591	24,591
At 31 March 2022	<u>2,684,955</u>	<u>15,730</u>	<u>74,956</u>	<u>61,097</u>	<u>2,836,738</u>
DEPRECIATION					
At 1 April 2021	713,893	9,783	64,385	26,258	814,319
Charge for the year	55,195	1,487	8,804	11,450	76,936
At 31 March 2022	<u>769,088</u>	<u>11,270</u>	<u>73,189</u>	<u>37,708</u>	<u>891,255</u>
NET BOOK VALUE					
At 31 March 2022	<u>1,915,867</u>	<u>4,460</u>	<u>1,767</u>	<u>23,389</u>	<u>1,945,483</u>
At 31 March 2021	<u>1,971,062</u>	<u>5,947</u>	<u>10,571</u>	<u>10,248</u>	<u>1,997,828</u>

14. FIXED ASSET INVESTMENTS

	Investment in joint ventures £
COST OR VALUATION	
At 1 April 2021	100
AT 31 MARCH 2022	<u>100</u>
NET BOOK VALUE	
AT 31 MARCH 2022	<u>100</u>
AT 31 MARCH 2021	<u>100</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL JOINT VENTURES

The following was a joint venture of the Charitable Company:

Name	Fair value of investment £	Profit for the year £
Worcestershire Hospices Lottery Limited	100	105,935

The Charitable Company has a one third shared holding in a joint venture, Worcester Hospices Lottery Limited, which entitles the Charitable Company to a third of its distributable reserves.

15. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Trade debtors	5,127	475
Amounts owed by joint venture	34,404	7,782
Other debtors	1,431	2,179
Prepayments and accrued income	173,418	107,931
Tax recoverable	7,962	15,116
	<u>222,342</u>	<u>133,483</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	127,223	104,058
Other creditors	11,907	13,023
Accruals and deferred income	65,802	74,336
	<u>204,932</u>	<u>191,417</u>

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. FINANCIAL INSTRUMENTS

	2022 £	2021 £
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	<u>1,615,904</u>	<u>1,579,618</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

18. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS				
General funds	<u>2,036,932</u>	<u>1,633,954</u>	<u>(1,530,724)</u>	<u>2,140,162</u>
RESTRICTED FUNDS				
2004 Capital Appeal	316,611	-	(9,742)	306,869
2008 Squaring the Circle	104,505	-	(2,825)	101,680
Bromsgrove District Council	5,715	-	(1,486)	4,229
Department of Health - 2010 grant	572,800	-	(14,320)	558,480
Grand Lodge of Mark Master Masons	32,895	-	(823)	32,072
Sensory Garden	7,000	-	(2,000)	5,000
Department of Health - Garden Room	435,268	-	(10,064)	425,204
Interserve	1,058	-	(448)	610
Bumblehole Foods	5,292	-	(3,529)	1,763
Hospice and Family Support Services	-	56,731	(56,731)	-
JRS Scheme	-	4,629	(4,629)	-
NHSE Funding	-	26,532	(26,532)	-
Other small funds	1,536	7,884	(6,592)	2,828
	<u>1,482,680</u>	<u>95,776</u>	<u>(139,721)</u>	<u>1,438,735</u>
TOTAL OF FUNDS	<u>3,519,612</u>	<u>1,729,730</u>	<u>(1,670,445)</u>	<u>3,578,897</u>

18. STATEMENT OF FUNDS (CONTINUED)

The specific purposes for which the funds are to be applied are as follows:

2004 Capital Appeal - Funding raised by the charity for an extension to the original building and are reduced annually by an amount equivalent to the depreciation charge in respect of that building cost.

2008 Squaring the Circle - Funding received from the Department of Health supporting Dignity in Care for older people. The grant funded the construction of a covered walkway and a hexagonal spiritual room, the cost of which is depreciated annually.

Bromsgrove District Council - The funds were received to fund our new Wellbeing project, designed to support people with a life limiting illness in managing and maintaining their quality of life.

Department of Health - Garden Room - Funding received from the Department of Health to provide new accommodation space for day patients.

Grand Lodge of Mark Master Masons - Funds raised by the charity for the fixtures, fittings and equipment in the family support centre.

Bumblehole Foods - Funds received to install new LED lights into the main Hospice building and the Coppice Centre, thus reducing ongoing costs and environmental impact.

JRS Scheme - Funds received for the purposes of furloughing certain members of staff throughout the COVID-19 crisis.

NHSE Funding - The funds were received by Hospice UK for the purposes of support at various points throughout the COVID-19 crisis.

Other small funds - A number of additional donations were received throughout the year, supporting the purchase of essential items and services, such as chairs, carpets, complementary therapy supplies, medical consumables and new carpeting for our Hospice reception area.

Hospice and Family Support Services - Funds received from various sources to help support and maintain our core services.

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS				
General funds	1,503,111	1,576,544	(1,042,723)	2,036,932
RESTRICTED FUNDS				
2004 Capital Appeal	326,353	-	(9,742)	316,611
2008 Squaring the Circle	107,330	-	(2,825)	104,505
Bromsgrove District Council	7,697	-	(1,982)	5,715
Department of Health - 2010 grant	587,120	-	(14,320)	572,800
Grand Lodge of Mark Master Masons	33,718	-	(823)	32,895
Sensory Garden	9,000	-	(2,000)	7,000
Department of Health - Garden Room	445,332	-	(10,064)	435,268
Interserve	1,506	-	(448)	1,058
Bumblehole Foods	8,821	-	(3,529)	5,292
JRS Scheme	-	150,881	(150,881)	-
NHSE Funding	-	256,023	(256,023)	-
Other small funds	7,951	3,050	(9,465)	1,536
	<u>1,534,828</u>	<u>409,954</u>	<u>(462,102)</u>	<u>1,482,680</u>
TOTAL OF FUNDS	<u><u>3,037,939</u></u>	<u><u>1,986,498</u></u>	<u><u>(1,504,825)</u></u>	<u><u>3,519,612</u></u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
General funds	2,036,932	1,633,954	(1,530,724)	2,140,162
Restricted funds	1,482,680	95,776	(139,721)	1,438,735
	<u>3,519,612</u>	<u>1,729,730</u>	<u>(1,670,445)</u>	<u>3,578,897</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
General funds	1,503,111	1,576,544	(1,042,723)	2,036,932
Restricted funds	1,534,828	409,954	(462,102)	1,482,680
	<u>3,037,939</u>	<u>1,986,498</u>	<u>(1,504,825)</u>	<u>3,519,612</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	517,012	1,428,471	1,945,483
Fixed asset investments	100	-	100
Current assets	1,827,982	10,264	1,838,246
Creditors due within one year	(204,932)	-	(204,932)
TOTAL	<u>2,140,162</u>	<u>1,438,735</u>	<u>3,578,897</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	527,691	1,470,137	1,997,828
Fixed asset investments	100	-	100
Current assets	1,700,558	12,543	1,713,101
Creditors due within one year	(191,417)	-	(191,417)
TOTAL	<u><u>2,036,932</u></u>	<u><u>1,482,680</u></u>	<u><u>3,519,612</u></u>

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	59,285	481,673
ADJUSTMENTS FOR:		
Depreciation charges	76,936	74,249
Dividends, interests and rents from investments	(316)	(10,702)
(Increase)/decrease in debtors	(88,859)	114,270
Increase in creditors	13,515	40,840
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>60,561</u></u>	<u><u>700,330</u></u>

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	1,615,904	1,579,618
TOTAL CASH AND CASH EQUIVALENTS	<u><u>1,615,904</u></u>	<u><u>1,579,618</u></u>

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	<u>1,579,618</u>	<u>36,286</u>	<u>1,615,904</u>

24. PENSION COMMITMENTS

The Charitable Company 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 Charitable Company to the fund and amounted to £66,618 (2021: £50,630). Contributions totalling £6,019 (2021: £6,340) were payable to the fund at the balance sheet date.

25. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	75,773	67,284
Later than 1 year and not later than 5 years	84,441	132,738
Later than 5 years	43,083	54,083
	<u>203,297</u>	<u>254,105</u>

26. RELATED PARTY TRANSACTIONS

During the year the Charity generated income of £105,935 (2021: £116,499) via a joint venture enterprise, Worcestershire Hospices Lottery Limited, which has a Trustee in common, M Leech. The amount due to the Charity at the year end amounted to £34,466 (2021: £7,782). At the year end, a balance of £62 was owed to this entity (2021: £62).

THE PRIMROSE HOSPICE LIMITED

England & Wales - Charity number 700272

Accounts

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	J Alderson (appointed 18 November 2020) J Baldwin L Chapman B Cooper M Duncan J Edge (resigned 31 July 2020) R Laight M Leech D Locke M Mushen C Robertson (appointed 24 November 2020) M Webb
Company registered number	02211941
Charity registered number	700272
Registered office	Primrose Hospice St. Godwalds Road Bromsgrove Worcestershire B60 3BW
Company secretary	A Dalton
Chief executive officer	D Burrell
Independent auditors	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB
Bankers	Lloyds Bank plc 112 High Street Bromsgrove Worcestershire B61 8ES
Solicitors	Thomas Guise Solicitors 5 Foregate Street Worcester WR1 1DB

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees present their annual report together with the audited financial statements of the Charitable Company for the year 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. 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 (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

Based in Bromsgrove, Primrose Hospice is an established and highly respected charity. It has served the population of North East Worcestershire for over 34 years.

In 2020/21 Primrose Hospice raised £1.986 million (£1.87 million in 2019/20) which includes an annual grant from the NHS and retail grants from the government given in response to the COVID-19 pandemic. Around £0.84 million of the monies raised was achieved thanks to the generous support of local people and businesses. The money raised is spent on supporting people with life-limiting illnesses and their families during difficult and challenging times. Following a successful year in 2019, COVID-19 has dominated the activity of Primrose Hospice since early 2020.

Due to a prudent and rapid management response, Primrose Hospice acted to protect the long term viability of the organisation and ensure that Primrose Hospice continued to support the community during the COVID-19 pandemic.

Prioritising the safety of patients, clients, volunteers and staff at all times, Primrose Hospice adapted its services in light of rapidly changing guidance and continued to support the community during the COVID-19 pandemic in new and innovative ways.

Primrose Hospice is grateful for the financial support that has helped to ensure that the Hospice is a viable ongoing concern. Support has included:

- Unsolicited donations from companies and individuals to support the work of the Charity;
- The national furlough scheme which enabled us to reduce our cost base whilst maintaining opportunities for future employment; a total of 23 staff were furloughed at relevant times;
- Central Funding from Government received throughout 2020;
- Rebates for our retail units; and
- Reduced retail rental period during COVID-19 lockdown.

The prudent internal management of finances and the adaptation of the services offered to the community means that Primrose Hospice has enhanced its reputation.

Primrose Hospice has invested in services during the pandemic increasing family support and care resources to support both patients and families.

We are proud that we have played our part in supporting our community during an extremely challenging period and are determined to play our part going forward.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Objectives and activities

a. Policies and objectives

Primrose Hospice aims to work to support adults over the age of 18 living at home with cancer and other life limiting illnesses and to offer a high quality, efficient and responsive service appropriate to the needs of an individual whatever the stage of their illness.

The objectives of Primrose Hospice are:

- To provide specialised palliative care for patients with progressive, advanced cancer and other diseases from which they will not recover, across the recognised domains of physical, psychological, social and spiritual care, thereby assisting patients to achieve quality in their daily living.
- To act as a point of liaison in issues of communication, ensuring patients and their families are involved in decisions concerning their care and treatment, allowing them to make informed choices.
- To provide information to patients and families, ensuring they have full knowledge of all the support services, financial benefits and aids they may require to achieve comfortable living.
- To provide emotional support to individual members of a patient's family (adult or child between the ages of 6 and 18) by the provision of trained volunteer support workers or counselling.
- To provide the opportunity for the patient and family to discuss their chosen place of care and eventual place of death, whether at home, in hospital or a nursing home.
- To provide supportive care for cancer patients, and patients with other life limiting illnesses, at any stage of their disease by the provision of counselling, information and complementary therapies.
- In providing the above services, we are benefiting the individuals who avail themselves of these services, together with their carers and families. It should also be noted that Primrose Hospice makes no charge for any of its services.
- The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Whilst the Charity developed a clear 5-year strategy in 2018, this has been revisited in 2020 to ensure we respond to the challenges and opportunities that the COVID-19 pandemic has presented.

Primrose Hospice has undertaken a clinical services review in 2020 and invested in additional nursing, medical and support posts. In addition a temporary increase in resources for family support have been allocated to help address an increase in demand for services and the complexity of supporting people safely during COVID.

Objectives and activities (CONTINUED)

c. Activities undertaken to achieve objectives

Some of our services have been maintained remotely or utilising on line methods. Our staff have continued to support people face to face and in their homes on an exception basis after a full risk assessment.

Our core services include:

Care

Day Hospice

- Attending Day Hospice regularly provides patients with the opportunity to discuss their symptoms and any concerns they may have with the nursing staff. Arrangements can be made for patients to see the Consultant in Palliative Medicine.
- Patients may also be offered complementary therapies, counselling, benefits advice and Wellbeing Services.

Outpatient clinics

- Some patients prefer not to attend the Day Hospice, but they can maintain regular professional contact with the Hospice by attending the Clinical Nurse Specialist Outpatient Clinic. The nurses are able to provide support, information, symptom management and refer them to other services within Primrose or externally.
- Medical clinics are held at the Hospice as required by the Consultant in Palliative Medicine.

Physiotherapy and Occupational Therapy

- The Occupational Therapist offers advice on lifestyle management as well as education and support to both patients and their carers.
- The Physiotherapist and Therapies Assistant offer exercise groups within the Day Hospice and education groups to include breathlessness, fatigue and sleep. In addition, they visit patients in their home and provide equipment and advice to support daily activities.

Wellbeing

- The Wellbeing service is designed for people with a life limiting illness or their family and carers to help them manage and maintain their quality of life.
- Wellbeing activities cover areas of physical, emotional, personal and social support.

Family Support

Adult groups currently on offer from Primrose Family Support

- A safe environment where people can talk together, share experiences and express emotions.

Bereavement Group

- The Bereavement Group is for anyone who has experienced a recent loss of a spouse, or partner.

Week2Week Group

- After attending the Bereavement Group for 6 months, clients can move on to the Week2Week Group.

STEPS

- STEPs is a bereavement group for younger people. It is about taking the initial first steps for 'moving on'.

SWAN

- This group is open to anyone that is bereaved of a significant other, i.e. sister, brother, close family member but not a husband or a wife.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Objectives and activities (CONTINUED)

Support Groups for Patients and their families

Men's Group

- An informal support group for male service users with a life threatening illness.
- It offers an opportunity to be able to talk about whatever they choose and spend time with others who understand what they may be going through.

Relaxation Group

- The relaxation group is run weekly by one of our volunteers.

Children's Groups

Team Trevor

- Supports children and young people from the age of 7 to 12, when they have a loved one who has a life-limiting illness.

Water bugs and Dragonflies

- Closed group for children and their surviving parent to attend 7 structured sessions over a 14 week period.

Achievements and performance

a. Key performance indicators

Primrose Hospice's priority has continued to provide care for those with life limiting illness. Primrose Hospice has adapted services during COVID to provide safe remote support where possible, supplemented by face to face and occasional group work following a full COVID risk assessment.

Primrose Hospice's challenge continues to be to raise the funds to respond to the increase in need.

Primrose Hospice wanted to increase the levels of cash reserves so the Hospice could ensure that vital services would be maintained throughout any difficult period. Reserves were successfully increased from 10.5 months of operating costs in April 2020 to 12.8 months of operating costs in March 2021.

b. Review of activities

Primrose Hospice provides support to patients with life limiting illnesses and their families, providing them with the care and support they require during difficult times.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance (CONTINUED)

c. Investment policy and performance

There are no restrictions on the powers of the Trustees to invest the funds of Primrose Hospice. The current policy of the Trustees is to have regard to income requirements and any risks which have been identified and to retain any such funds as are required in short term bank deposit accounts. Primrose Hospice seeks to produce the best financial return within an acceptable level of risk. The investment objective for the short term cash reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available, within 35 days, to meet unanticipated cash flow requirements.

The Trustees have reviewed the reserves of the charity, including the nature of the income and expenditure streams, the need to match variable income and fixed commitments and the nature of the reserves.

An investment policy was reviewed and updated at the Finance and Income Generation Committee and Board in 2020.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. This has been reviewed and the Trustees are confident there are sufficient reserves to ensure the Hospice remains a going concern beyond March 2023. 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 (Note 2.2).

b. Reserves policy

The Trustees actively review the major risks which the Charity faces and believe that maintaining reserves at a level to cover 6 months operating costs, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The organisation aspires to have 6 months' reserves at any time (currently 12.8 months). The Trustees have also examined other operational and business risks faced by the Charity, have produced a Risk Register and confirm that they have established systems to mitigate the significant risks.

Whilst reserves are greater than the Charity aspires to in 'normal' times, the Trustees are aware that this has been achieved during the pandemic and is largely due to additional temporary financial support and temporarily decreased cost base (e.g. furlough). As there are risks around future income levels, Trustees have accepted maintaining additional reserves as a prudent buffer in a time of great uncertainty around future income for the Charity.

c. Financial review

The Statement of Financial Activities (SOFA) shows restricted and unrestricted reserves at £1,482,680 and £2,036,932, respectively. In 2019/20 they were £1,534,828 and £1,503,111 respectively.

Total incoming resources amounted to £1,986,498 (2020: £1,868,059), £812,813 of this was from statutory sources (£268,260 in 2020). For the other 40.9% (85.6% in 2020), Primrose Hospice remains heavily dependent on the generosity of our local community to support our retail shops, joint lottery and fundraising activities.

There was a surplus of £481,673 in 2021 (in 2020 the figure was £265,197).

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

d. Principal funding

National Health Service Grants

Grant income from the NHS was £400,729, 20.2% of the Hospice's total funding. Primrose Hospice ensures that the limited resources are used responsibly to provide the best care and support to our community.

Worcestershire Hospices Lottery

Worcestershire Hospices Lottery, a joint venture with Acorns Children's Hospice and St. Richard's Hospice, generated income of £117,391 (2020: £108,249) for the Hospice.

Donations (Charitable Trusts, Fundraising & other donations)

Donations in 2021 were £473,913 compared to £586,199 in 2020 which is a decrease of 19.1%.

Legacies and In Memoriam

Legacies and In Memoriam were £336,889 compared to £274,965 in 2020 which is an increase of 22.5%.

Trading Activities

The income generated by Primrose's 5 retail shops was £215,733 compared to £605,350 in the previous year (which included the receipt of £105,000 in retail grants awarded by the government in response to the COVID 19 pandemic).

Structure, governance and management

a. Constitution

The Primrose Hospice is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The Primrose Hospice is constituted under a Trust deed and is a registered charity number 700272.

The Primrose Hospice is a charitable company limited by guarantee, incorporated on 20th January 1988, and registered as a charity on the same date.

The Primrose Hospice was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount of £1 per member.

b. Methods of appointment or election of Trustees

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles, are known as members of the Board of Trustees. The Trustees when complete consist of at least seven and not more than twenty individuals over the age of 18, all of whom must support the Objects. Under the requirements of the Memorandum and Articles of Association, one third (or the number nearest one third) of the Trustees must retire each year, those longest in office retiring first and the choice between any of equal service being made by drawing lots. A retiring Trustee may be re appointed for a further period of 3 years at the discretion of the Trustees.

Structure, governance and management (CONTINUED)

c. Organisational structure and decision-making policies

The Board of Trustees administers the Charity. The Board meets at least 4 times a year and is responsible for the strategic direction and policy of the Charity.

The Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the Charity and attends the Board Meetings, alongside members of the Senior Leadership Team. To facilitate effective operations, the Chief Executive Officer has delegated authority for operational matters.

d. Policies adopted for the induction and training of Trustees

The Trustees have a formal induction process which covers all Primrose Hospice policies and procedures and covers the Trustee Code of Conduct, the Trustee declaration, Confidentiality agreement, Nolan 7 Principles, The Charity Commission's publication 'The Essential Trustee' The Hospice UK 20 minute guide and Mandatory Training as undertaken by all volunteers.

e. Pay policy for key management personnel

Salaries are reviewed to ensure resources are used as efficiently as possible. This, along with benchmarking against similar local charities and assessing the complexity of the role, will provide a robust remuneration process.

f. Financial risk management

The Trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The Trustees and Senior Management Team plan to continue to deliver services for the Charity's clients, whilst managing the impacts of COVID-19 and other economic uncertainties on the Charity.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Charitable Company 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 of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

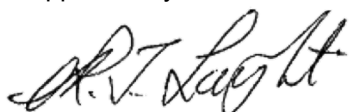
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are 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 charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



R Laight
Trustee

Date: 6th October 2021

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED

OPINION

We have audited the financial statements of The Primrose Hospice Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

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:

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

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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Identifying and assessing potential risks related to irregularities;

The procedures undertaken in order to identify and assess risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, are as follows:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the Chair of the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the Charitable Company's documentation of their policies and procedures relating to;
 - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
 - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.

We have considered the matters discussed among the audit engagement team, including internal tax specialists regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- Revenue recognition; and
- Accounting estimates.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations and employment legislation.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**

Audit response to risks identified

As a result of performing the above procedures, we have identified revenue recognition and accounting estimates as key audit matters related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;
- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRIMROSE HOSPICE LIMITED
(CONTINUED)**



Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 7th October 2021

THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	835,893	409,954	1,245,847	884,799
Charitable activities	4	406,909	-	406,909	268,260
Other trading activities	5	333,124	-	333,124	713,599
Investments	6	618	-	618	1,401
		<u>1,576,544</u>	<u>409,954</u>	<u>1,986,498</u>	<u>1,868,059</u>
Total income					
Expenditure on:					
Raising funds	7	499,557	-	499,557	629,662
Charitable activities	8	543,166	462,102	1,005,268	973,200
		<u>1,042,723</u>	<u>462,102</u>	<u>1,504,825</u>	<u>1,602,862</u>
Total expenditure					
		<u>533,821</u>	<u>(52,148)</u>	<u>481,673</u>	<u>265,197</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		1,503,111	1,534,828	3,037,939	2,772,742
Net movement in funds		533,821	(52,148)	481,673	265,197
		<u>2,036,932</u>	<u>1,482,680</u>	<u>3,519,612</u>	<u>3,037,939</u>
Total funds carried forward					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 38 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02211941**

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,997,828	2,072,077
Investments	14	100	100
		<u>1,997,928</u>	<u>2,072,177</u>
Current assets			
Debtors	15	133,483	247,753
Cash at bank and in hand		1,579,618	868,586
		<u>1,713,101</u>	<u>1,116,339</u>
Creditors: amounts falling due within one year	16	(191,417)	(150,577)
		<u>1,521,684</u>	965,762
Net current assets		<u>1,521,684</u>	965,762
Total assets less current liabilities		<u>3,519,612</u>	<u>3,037,939</u>
Total net assets		<u><u>3,519,612</u></u>	<u><u>3,037,939</u></u>
Charity funds			
Restricted funds	19	1,482,680	1,534,828
Unrestricted funds	19	2,036,932	1,503,111
Total funds		<u><u>3,519,612</u></u>	<u><u>3,037,939</u></u>

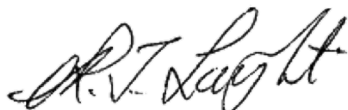
**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02211941**

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021**

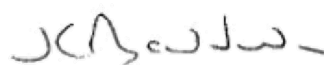
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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 on 6th October 2021 and signed on their behalf by:



R Laight
Trustee



J Baldwin
Trustee

The notes on pages 19 to 38 form part of these financial statements.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
Cash flows from operating activities		
Net cash used in operating activities	700,330	258,055
Cash flows from investing activities		
Dividends, interests and rents from investments	10,702	1,401
Proceeds from the sale of tangible fixed assets	-	750
Net cash provided by investing activities	10,702	2,151
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	711,032	260,206
Cash and cash equivalents at the beginning of the year	868,586	608,380
Cash and cash equivalents at the end of the year	1,579,618	868,586

The notes on pages 19 to 38 form part of these financial statements

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. GENERAL INFORMATION

The Primrose Hospice is a private Charitable Company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Primrose Hospice, St. Godwalds Road, Bromsgrove, Worcestershire, B60 3BW.

The principal activity of the Charitable Company is as disclosed in the Trustees' report, starting on page 2.

The accounts are presented in GBP and are rounded to the nearest GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

2.2 GOING CONCERN

The Trustees have prepared financial projection forecasts for a period of at least 18 months following the date of approval of the financial statements. The Charitable Company has a net asset value as at 31 March 2021 of £3,519,266 (2020: £3,037,939), and has freehold property with a net book value totalling £1,971,062 (2020: £2,026,258) and cash at bank and in hand of £1,579,618 (2020: £868,524).

On this basis the financial statements have been prepared on a going concern basis. The Trustees' assumptions and outlook considers the impact and uncertainty that the Coronavirus (COVID-19) pandemic continues to have on the Charitable Company. Updated projections have been put in place that consider a worst-case scenario in order to make sure the Charitable Company continues during these unprecedented times. This is being monitored on a weekly basis. The Trustees have also taken advantage of the COVID-19 Government assistance throughout the financial year as well as funding from other funding bodies; a number of successful grants have been secured during the year.

The financial statements do not reflect the adjustments that would be necessary should the ability of the Charitable Company to operate be jeopardised due to a material issue with the availability of its work force, the level of demand for its services or a material decrease in shop revenues or grant funding.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

Grants are included in the 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.

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

2.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Charitable Company 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 Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

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

2. ACCOUNTING POLICIES (continued)

2.7 TAXATION

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

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2-10% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Office equipment	- 25% 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 Statement of financial activities.

Investments in joint ventures are stated at the amount of the Charitable Company's share of net assets. The Statement of financial activities includes the Charitable Company's share of the joint ventures' net income or expenditure using the equity accounting basis. As the joint venture is a charity, the investment is presented within restricted funds.

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. ACCOUNTING POLICIES (continued)

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.

2.13 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 Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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 Statement of financial activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

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

2.15 PENSIONS

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company 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 Charitable Company 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 Charitable Company 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.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	470,863	3,050	473,913	586,199
Legacies	284,278	-	284,278	191,645
Children in Need grant	28,141	-	28,141	23,635
Government grants	-	406,904	406,904	-
In memoriam	52,611	-	52,611	83,320
	<u>835,893</u>	<u>409,954</u>	<u>1,245,847</u>	<u>884,799</u>
TOTAL 2020	<u><u>784,830</u></u>	<u><u>99,969</u></u>	<u><u>884,799</u></u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
CCG funding - Hospice services	400,729	400,729	259,745
Student placement income	6,180	6,180	8,515
	<u>406,909</u>	<u>406,909</u>	<u>268,260</u>
TOTAL 2020	<u><u>268,260</u></u>	<u><u>268,260</u></u>	

During 2020/2021 we were able to increase our level of reserves. This was due to temporary reductions in expenditure during COVID-19 pandemic and non-recurrent income from sources related to the pandemic: Job Retention Scheme (furlough), COVID-19 grants (e.g. retail), additional funding from the Clinical Commissioning Group (CCG) and treasury funding to Hospices. In addition, we benefited from significant income from legacies which again is non recurrent and largely unpredictable.

Whilst this temporary increase in income supported us to maintain and expand services whilst building reserves, it is clear that the future levels of income for an organisation that is largely self-funding from fundraising and retail is less predictable. Reserves have been allocated to additional services in Family Support and Care but we remain vigilant in our future planning until there is a clearer view on the recovery of our sustainable , recurrent income streams.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Shop and eBay sales	141,883	141,883	451,162
Ragging income	4,932	4,932	17,222
Gift Aid income	6,526	6,526	31,710
Other income	-	-	256
Retail, Hospitality and Leisure grants	62,392	62,392	105,000
	<u>215,733</u>	<u>215,733</u>	<u>605,350</u>
TOTAL 2020	<u>605,350</u>	<u>605,350</u>	

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lottery joint venture income	117,391	117,391	108,249
	<u>117,391</u>	<u>117,391</u>	<u>108,249</u>
TOTAL 2020	<u>108,249</u>	<u>108,249</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	618	618	1,401
	<u>618</u>	<u>618</u>	<u>1,401</u>
TOTAL 2020	<u>1,401</u>	<u>1,401</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. EXPENDITURE ON RAISING FUNDS

FUNDRAISING EXPENSES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising non-staff costs	27,563	27,563	72,885
Fundraising staff costs	141,785	141,785	140,336
	<u>169,348</u>	<u>169,348</u>	<u>213,221</u>
TOTAL 2020	<u>213,221</u>	<u>213,221</u>	

CHARITY SHOP EXPENSES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Charity shop non-staff costs	136,340	136,340	203,041
Charity staff costs	193,869	193,869	205,585
Charity shop depreciation	-	-	7,815
	<u>330,209</u>	<u>330,209</u>	<u>416,441</u>
TOTAL 2020	<u>416,441</u>	<u>416,441</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Operation of Hospice	543,166	462,102	1,005,268	973,200
TOTAL 2020	818,897	154,303	973,200	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Operation of Hospice	696,149	309,119	1,005,268	973,200
TOTAL 2020	697,801	275,399	973,200	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	471,012	471,012	466,155
Depreciation	74,249	74,249	64,234
Project costs	3,639	3,639	3,163
Care equipment	712	712	312
Utilities	32,988	32,988	18,339
Education and training	4,400	4,400	6,327
Laundry and cleaning	22,351	22,351	27,911
Patient interaction	51,896	51,896	56,774
Repairs and maintenance	25,114	25,114	21,196
Printing, stationery and postage	4,083	4,083	5,510
Consumables	161	161	8,101
Travel	5,544	5,544	19,779
	<u>696,149</u>	<u>696,149</u>	<u>697,801</u>
TOTAL 2020	<u>697,801</u>	<u>697,801</u>	

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	216,585	216,585	217,661
Recruitment expenses	1,082	1,082	1,703
Insurance	13,799	13,799	10,015
IT consumables	25,481	25,481	15,150
Education and training	214	214	2,465
Telephone	7,823	7,823	717
Miscellaneous expenses	6,348	6,348	7,102
Consultancy fees	22,954	22,954	6,328
Audit and accountancy fees	11,520	11,520	10,825
Printing, stationery and postage	3,137	3,137	3,286
Bank charges	176	176	147
	<u>309,119</u>	<u>309,119</u>	<u>275,399</u>
TOTAL 2020	<u>275,399</u>	<u>275,399</u>	

10. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	8,000	7,775
Fees payable to the Charitable Company's auditor in respect of: Preparation of the annual accounts	2,150	2,100
	<u>2,150</u>	<u>2,100</u>

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	906,880	911,682
Social security costs	67,920	67,598
Contribution to defined contribution pension schemes	48,451	50,457
	<u>1,023,251</u>	<u>1,029,737</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. STAFF COSTS (CONTINUED)

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

	2021	2020
	No.	No.
Hospice services	24	27
Fundraising	6	6
Management & administration	7	7
Merchandising	12	12
	49	52

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charitable Company is represented by the roles of Chief Executive Officer, Head of Clinical Services, Head of Family Support and Chief Operating Officer. The total employee benefits of the key management personnel were £198,670 (2020: £252,751), including employer's pension and National Insurance contributions.

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION					
At 1 April 2020	2,684,955	15,730	74,956	36,506	2,812,147
At 31 March 2021	<u>2,684,955</u>	<u>15,730</u>	<u>74,956</u>	<u>36,506</u>	<u>2,812,147</u>
DEPRECIATION					
At 1 April 2020	658,697	7,802	55,581	17,990	740,070
Charge for the year	55,196	1,981	8,804	8,268	74,249
At 31 March 2021	<u>713,893</u>	<u>9,783</u>	<u>64,385</u>	<u>26,258</u>	<u>814,319</u>
NET BOOK VALUE					
At 31 March 2021	<u><u>1,971,062</u></u>	<u><u>5,947</u></u>	<u><u>10,571</u></u>	<u><u>10,248</u></u>	<u><u>1,997,828</u></u>
At 31 March 2020	<u><u>2,026,258</u></u>	<u><u>7,928</u></u>	<u><u>19,375</u></u>	<u><u>18,516</u></u>	<u><u>2,072,077</u></u>

14. FIXED ASSET INVESTMENTS

	Investment in joint ventures £
COST OR VALUATION	
At 1 April 2020	100
AT 31 MARCH 2021	<u>100</u>
NET BOOK VALUE	
AT 31 MARCH 2021	<u>100</u>
AT 31 MARCH 2020	<u>100</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL JOINT VENTURES

The following was a joint venture of the Charitable Company:

Name	Fair value of investment £	Profit for the year £
Worcestershire Hospices Lottery Limited	100	116,499

The Charitable Company has a one third shared holding in a joint venture, Worcester Hospices Lottery Limited, which entitles the Charitable Company to a third of its distributable reserves.

15. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	475	2,070
Amounts owed by joint venture	7,782	8,359
Other debtors	2,179	-
Prepayments and accrued income	107,931	229,323
Tax recoverable	15,116	8,001
	133,483	247,753

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	104,058	85,955
Other creditors	13,023	11,270
Accruals and deferred income	74,336	53,352
	191,417	150,577

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	1,579,618	868,586

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

18. ACCRUALS AND DEFERRED INCOME

	2021	2020
	£	£
Deferred income at 1 April 2020	4,428	9,278
Resources deferred during the year	-	4,428
Amounts released from previous periods	(4,428)	(9,278)
DEFERRED INCOME AT 31 MARCH 2021	-	4,428

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS				
General funds	1,503,111	1,576,544	(1,042,723)	2,036,932
RESTRICTED FUNDS				
2004 Capital Appeal	326,353	-	(9,742)	316,611
2008 Squaring the Circle	107,330	-	(2,825)	104,505
Bromsgrove District Council	7,697	-	(1,982)	5,715
Department of Health - 2010 grant	587,120	-	(14,320)	572,800
Grand Lodge of Mark Master Masons	33,718	-	(823)	32,895
Sensory Garden	9,000	-	(2,000)	7,000
Department of Health - Garden Room	445,332	-	(10,064)	435,268
Interserve	1,506	-	(448)	1,058
Bumblehole Foods	8,821	-	(3,529)	5,292
JRS Scheme	-	150,881	(150,881)	-
NHSE Funding	-	256,023	(256,023)	-
Other small funds	7,951	3,050	(9,465)	1,536
	<u>1,534,828</u>	<u>409,954</u>	<u>(462,102)</u>	<u>1,482,680</u>
TOTAL OF FUNDS	<u>3,037,939</u>	<u>1,986,498</u>	<u>(1,504,825)</u>	<u>3,519,612</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. STATEMENT OF FUNDS (CONTINUED)

The specific purposes for which the funds are to be applied are as follows:

Restricted:

2004 Capital Appeal - Funding raised by the charity for an extension to the original building and are reduced annually by an amount equivalent to the depreciation charge in respect of that building cost.

2008 Squaring the Circle - Funding received from the Department of Health supporting Dignity in Care for older people. The grant funded the construction of a covered walkway and a hexagonal spiritual room, the cost of which is depreciated annually.

Bromsgrove District Council - The funds were received to fund our new Wellbeing project, designed to support people with a life limiting illness in managing and maintaining their quality of life.

Department of Health - Garden Room - Funding received from the Department of Health to provide new accommodation space for day patients.

Grand Lodge of Mark Master Masons - Funds raised by the charity for the fixtures, fittings and equipment in the family support centre.

Morrison's Foundation - Funds were received for the provision of our Children's and Young Persons Service, supporting children through pre and post bereavement.

Bumblehole Foods - Funds received to install new LED lights into the main Hospice building and the Coppice Centre, thus reducing ongoing costs and environmental impact.

JRS Scheme - Funds received for the purposes of furloughing certain members of staff throughout the COVID-19 crisis.

NHSE Funding - The funds were received by Hospice UK for the purposes of support at various points throughout the COVID-19 crisis.

Other small funds - A number of additional donations were received throughout the year, supporting the purchase of essential items and services, such as chairs, carpets, complementary therapy supplies, medical consumables and new carpeting for our Hospice reception area.

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS				
General funds	1,183,580	1,768,090	(1,448,559)	1,503,111
RESTRICTED FUNDS				
2004 Capital Appeal	336,095	-	(9,742)	326,353
2008 Squaring the Circle	110,155	-	(2,825)	107,330
Bromsgrove District Council	10,996	7,958	(11,257)	7,697
Bromsgrove District Council (van)	7,620	-	(7,620)	-
Department of Health - 2010 grant	601,440	-	(14,320)	587,120
Grand Lodge of Mark Master Masons	34,541	-	(823)	33,718
Sensory Garden	11,000	-	(2,000)	9,000
The Rowlands Trust	4,559	4,114	(8,673)	-
Department of Health - Garden Room	455,396	-	(10,064)	445,332
Interserve	1,954	-	(448)	1,506
Morrisons Foundation	1,141	17,654	(18,795)	-
Bumblehole Foods	1,577	-	7,244	8,821
Edward Cadbury Charitable Trust	5,000	5,000	(10,000)	-
Edward Gosling Foundation	-	1,659	(1,659)	-
Crem Metals	-	8,000	(8,000)	-
Garfield Weston	-	15,000	(15,000)	-
JRS Scheme	-	9,468	(9,468)	-
NHSE Funding	-	4,265	(4,265)	-
Other small funds	7,688	26,851	(26,588)	7,951
	<u>1,589,162</u>	<u>99,969</u>	<u>(154,303)</u>	<u>1,534,828</u>
TOTAL OF FUNDS	<u><u>2,772,742</u></u>	<u><u>99,969</u></u>	<u><u>(1,602,862)</u></u>	<u><u>3,037,939</u></u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

20. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
General funds	1,503,111	1,576,544	(1,042,723)	2,036,932
Restricted funds	1,534,828	409,954	(462,102)	1,482,680
	<u>3,037,939</u>	<u>1,986,498</u>	<u>(1,504,825)</u>	<u>3,519,612</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
General funds	1,183,580	1,768,090	(1,448,559)	1,503,111
Restricted funds	1,589,162	99,969	(154,303)	1,534,828
	<u>2,772,742</u>	<u>1,868,059</u>	<u>(1,602,862)</u>	<u>3,037,939</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	527,691	1,470,137	1,997,828
Fixed asset investments	100	-	100
Current assets	1,700,558	12,543	1,713,101
Creditors due within one year	(191,417)	-	(191,417)
TOTAL	<u>2,036,932</u>	<u>1,482,680</u>	<u>3,519,612</u>

**THE PRIMROSE HOSPICE LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	556,052	1,516,025	2,072,077
Fixed asset investments	100	-	100
Current assets	1,097,536	18,803	1,116,339
Creditors due within one year	(150,577)	-	(150,577)
TOTAL	<u>1,503,111</u>	<u>1,534,828</u>	<u>3,037,939</u>

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

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	<u>481,673</u>	<u>265,197</u>
ADJUSTMENTS FOR:		
Depreciation charges	74,249	74,246
Dividends, interests and rents from investments	(10,702)	(1,401)
(Increase)/decrease in debtors	114,270	(83,583)
Increase in creditors	40,840	4,157
Profit on disposal of fixed assets	-	(561)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>700,330</u>	<u>258,055</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	1,579,618	868,586
TOTAL CASH AND CASH EQUIVALENTS	<u>1,579,618</u>	<u>868,586</u>

**THE PRIMROSE HOSPICE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>868,586</u>	<u>711,032</u>	<u>1,579,618</u>

25. PENSION COMMITMENTS

The Charitable Company 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 Charitable Company to the fund and amounted to £50,630 (2020: £50,457). Contributions totalling £6,340 (2020: £5,135) were payable to the fund at the balance sheet date.

26. OPERATING LEASE COMMITMENTS

At 31 March 2021 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	67,284	85,034
Later than 1 year and not later than 5 years	132,738	170,344
Later than 5 years	54,083	54,083
	<u>254,105</u>	<u>309,461</u>

27. RELATED PARTY TRANSACTIONS

During the year the Charity generated income of £116,499 (2020: £108,249) via a joint venture enterprise, Worcestershire Hospices Lottery Limited, which has a Trustee in common, M Leech. The amount due to the Charity at the year end amounted to £7,782 (2020: £8,421). During the year, expenditure of £NIL (2020: £268) was also incurred with this entity. At the year end, a balance of £62 was owed to this entity (2020: £NIL).