

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
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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
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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.

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**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.

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

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.

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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).

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**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.

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

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.

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**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:

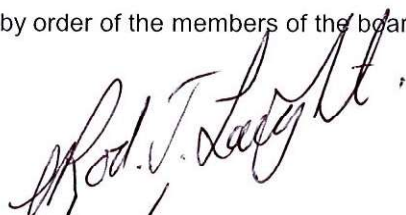
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors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

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**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.

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**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
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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
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REGISTERED NUMBER:02211941

BALANCE SHEET
AS AT 31 MARCH 2022

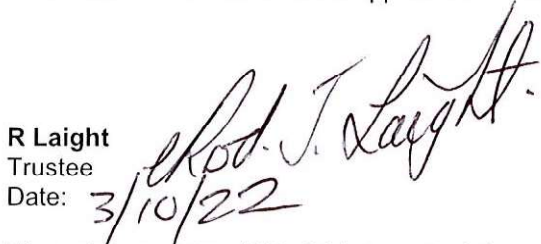
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	1,945,483	1,997,828
Investments	14	100	100
		<u>1,945,583</u>	<u>1,997,928</u>
Current assets			
Debtors	15	222,342	133,483
Cash at bank and in hand		1,615,904	1,579,618
		<u>1,838,246</u>	<u>1,713,101</u>
Creditors: amounts falling due within one 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>835,893</u>	<u>409,954</u>	<u>1,245,847</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>406,909</u>	<u>406,909</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
	<u>618</u>	<u>618</u>	
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	<u>2,155</u>	<u>2,150</u>

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
	49	49

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	2,684,955	15,730	74,956	61,097	2,836,738
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	769,088	11,270	73,189	37,708	891,255
NET BOOK VALUE					
At 31 March 2022	1,915,867	4,460	1,767	23,389	1,945,483
At 31 March 2021	1,971,062	5,947	10,571	10,248	1,997,828

14. FIXED ASSET INVESTMENTS

	Investment in joint ventures £
COST OR VALUATION	
At 1 April 2021	100
AT 31 MARCH 2022	100
NET BOOK VALUE	
AT 31 MARCH 2022	100
AT 31 MARCH 2021	100

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
	222,342	133,483

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
	204,932	191,417

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	1,615,904	1,579,618

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	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
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
	1,482,680	95,776	(139,721)	1,438,735
TOTAL OF FUNDS	3,519,612	1,729,730	(1,670,445)	3,578,897

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
	3,519,612	1,729,730	(1,670,445)	3,578,897

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
	3,037,939	1,986,498	(1,504,825)	3,519,612

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	2,140,162	1,438,735	3,578,897

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	2,036,932	1,482,680	3,519,612

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	60,561	700,330

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	1,615,904	1,579,618
TOTAL CASH AND CASH EQUIVALENTS	1,615,904	1,579,618

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).