

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

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<b>Trustees</b>	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)
<b>Company registered number</b>	02211941
<b>Charity registered number</b>	700272
<b>Registered office</b>	Primrose Hospice St. Godwalds Road Bromsgrove Worcestershire B60 3BW
<b>Company secretary</b>	A Dalton
<b>Chief executive officer</b>	D Burrell
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB
<b>Bankers</b>	Lloyds Bank plc 112 High Street Bromsgrove Worcestershire B61 8ES
<b>Solicitors</b>	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**

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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**

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- 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**

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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.

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

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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.

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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
<b>TOTAL</b>	<b>£431,299</b>	

**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.



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

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

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

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**Disclosure of information to auditors**

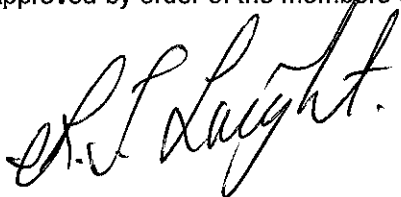
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

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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:

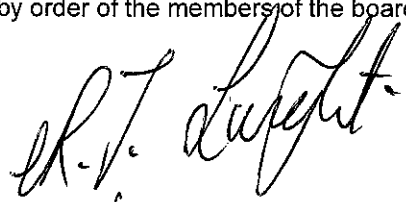
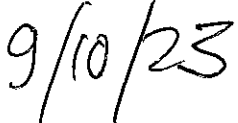
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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:

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

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**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.

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

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**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.

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

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**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.

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

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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](http://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 £
<b>Income from:</b>					
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
<b>Total income</b>		<b>2,063,779</b>	<b>124,762</b>	<b>2,188,541</b>	<b>1,729,730</b>
<b>Expenditure on:</b>					
Raising funds	7	685,956	-	685,956	625,711
Charitable activities	8	982,860	149,026	1,131,886	1,044,734
<b>Total expenditure</b>		<b>1,668,816</b>	<b>149,026</b>	<b>1,817,842</b>	<b>1,670,445</b>
<b>Net movement in funds</b>		<b>394,963</b>	<b>(24,264)</b>	<b>370,699</b>	<b>59,285</b>
<b>Reconciliation of funds:</b>					
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
<b>Total funds carried forward</b>		<b>2,535,125</b>	<b>1,414,471</b>	<b>3,949,596</b>	<b>3,578,897</b>

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**

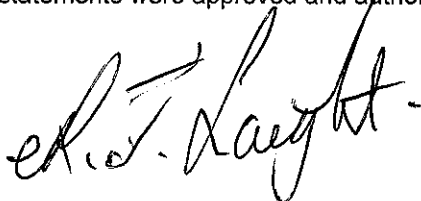
	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	1,877,919	1,945,483
Investments	14	100	100
		<u>1,878,019</u>	<u>1,945,583</u>
<b>Current assets</b>			
Debtors	15	492,365	222,342
Cash at bank and in hand		1,830,992	1,615,904
		<u>2,323,357</u>	<u>1,838,246</u>
Creditors: amounts falling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

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	<b>206,618</b>	60,561
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		<b>8,470</b>	316
Purchase of tangible fixed assets		-	(24,591)
<b>Net cash provided by/(used in) investing activities</b>		<b>8,470</b>	<b>(24,275)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>215,088</b>	<b>36,286</b>
Cash and cash equivalents at the beginning of the year		<b>1,615,904</b>	1,579,618
<b>Cash and cash equivalents at the end of the year</b>	21	<b>1,830,992</b>	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**

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**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.

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

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**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**

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**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.

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**

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

**4. INCOME FROM CHARITABLE ACTIVITIES**

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

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Shop and eBay sales	582,606	<b>582,606</b>	475,563
Ragging income	13,856	<b>13,856</b>	11,993
Gift Aid income	57,143	<b>57,143</b>	28,474
Other income	12,106	<b>12,106</b>	35
Retail, Hospitality and Leisure	70,440	<b>70,440</b>	123,269
	<u>736,151</u>	<u><b>736,151</b></u>	<u>639,334</u>
TOTAL 2022	<u>639,334</u>	<u><b>639,334</b></u>	

**6. INVESTMENT INCOME**

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

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

**CHARITY SHOP EXPENSES**

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

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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

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

**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**

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

**ANALYSIS OF SUPPORT COSTS**

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

	<b>2023</b>	2022
	<b>£</b>	£
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	<b>9,215</b>	8,150
Fees payable to the Charitable Company's auditor in respect of: Preparation of the annual accounts	<b>2,615</b>	2,155
	<u><b>11,830</b></u>	<u>10,305</u>

**11. STAFF COSTS**

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

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

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

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

	<b>2023</b>	2022
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>1</b>	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 £
<b>COST OR VALUATION</b>					
At 1 April 2022	2,684,955	15,730	74,956	61,097	2,836,738
At 31 March 2023	2,684,955	15,730	74,956	61,097	2,836,738
<b>DEPRECIATION</b>					
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	824,284	12,385	74,956	47,194	958,819
<b>NET BOOK VALUE</b>					
At 31 March 2023	1,860,671	3,345	-	13,903	1,877,919
At 31 March 2022	1,915,867	4,460	1,767	23,389	1,945,483

**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**

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

<b>Name</b>	<b>Fair value of investment £</b>	<b>Profit for the year £</b>
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**

	<b>2023 £</b>	<b>2022 £</b>
<b>DUE WITHIN ONE YEAR</b>		
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**  
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**FOR THE YEAR ENDED 31 MARCH 2023**

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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

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



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**17. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>UNRESTRICTED FUNDS</b>					
<b>DESIGNATED FUNDS</b>					
Designated funds	-	-	-	431,299	431,299
<b>GENERAL FUNDS</b>					
General funds	2,140,162	2,063,779	(1,668,816)	(431,299)	2,103,826
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>2,140,162</b>	<b>2,063,779</b>	<b>(1,668,816)</b>	<b>-</b>	<b>2,535,125</b>
<b>RESTRICTED FUNDS</b>					
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
	<b>1,438,735</b>	<b>124,762</b>	<b>(149,026)</b>	<b>-</b>	<b>1,414,471</b>
<b>TOTAL OF FUNDS</b>	<b>3,578,897</b>	<b>2,188,541</b>	<b>(1,817,842)</b>	<b>-</b>	<b>3,949,596</b>

NOTES TO THE FINANCIAL STATEMENTS  
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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**  
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**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 £
<b>UNRESTRICTED FUNDS</b>				
General funds	2,036,932	1,633,954	(1,530,724)	2,140,162
<b>RESTRICTED FUNDS</b>				
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>
<b>TOTAL OF FUNDS</b>	<u>3,519,612</u>	<u>1,729,730</u>	<u>(1,670,445)</u>	<u>3,578,897</u>

**THE PRIMROSE HOSPICE LIMITED**  
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**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)
<b>TOTAL</b>	<u>2,535,125</u>	<u>1,414,471</u>	<u>3,949,596</u>

**THE PRIMROSE HOSPICE LIMITED**  
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**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)
<b>TOTAL</b>	<b>2,140,162</b>	<b>1,438,735</b>	<b>3,578,897</b>

**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)	<b>370,699</b>	59,285
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>67,564</b>	76,936
Dividends, interests and rents from investments	<b>(8,470)</b>	(316)
(Increase)/decrease in debtors	<b>(270,023)</b>	(88,859)
Increase in creditors	<b>46,848</b>	13,515
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>206,618</b>	60,561

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

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

**THE PRIMROSE HOSPICE LIMITED**  
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**22. ANALYSIS OF CHANGES IN NET DEBT**

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

**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).