



HOSPICE IN THE WEALD

ANNUAL REPORT
(and consolidated financial statements)

YEAR ENDED 31 MARCH 2022

Charity No. 280276
Company Registration No 01499846 (England and Wales)

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Introduction from our Chairman

I am pleased to present this year's annual report which sets out our performance over the last financial year, and our plans for the near future. During this period the Hospice has taken its first steps towards recovery from the impact of the COVID pandemic. In most instances the UK has already returned to normal now that the majority of the population is vaccinated against COVID. The reality is that for any organisation working with clinically vulnerable people, such as Hospices, the threat of COVID transmission remains more prevalent. We have now resumed our normal activities, although additional safety measures against COVID transmission remain in place.

This reporting period saw the resignation of former CEO, Rob Woolley, and the appointment of Nick Farthing as Chief Executive. I would like to thank Rob for his work for the organisation over the last decade, and to wish him well in his retirement. I am very pleased to have confirmed Nick in post after a thorough recruitment process. Nick's longstanding knowledge of the organisation, and backgrounds in both healthcare and retail, leave us in good stead to move forwards.

I am also pleased to welcome Jan Thirkettle as our new Clinical Director. Jan brings a wealth of Hospice experience from previous roles at St Christopher's Hospice. Her clinical leadership will help modernise some of the ways in which we support and care for patients.

Over the last year, the focus of the leadership team has been on a return to 'normal', a gradual winding back of our precautionary measures against COVID and a re-starting of some activities including our fundraising events and re-opening of the Living Well service for adult patients. In addition to resuming all activities for adult patients, we have also made progress towards the launch of our new service providing Hospice care for children. This will help us reach even more unmet need in the local area, and service delivery is set to commence later in 2022.

Our retail operations have performed very well during the last year, in part thanks to the large increase in donation volumes throughout the pandemic, along with taking on a notable new shop in Sevenoaks, the largest high street retail space we have had.

As ever, the commitment and hard work of our staff and volunteers is tantamount to the success of the Hospice. We have continued to run a wellbeing working group to provide ideas and opportunities to better support staff and volunteers as they continue to work with COVID precautionary measures.

As we look now to the future, which contains opportunities for a fresh outlook from a new Executive team, the focus on providing outstanding care to all who need it remains. This is not possible without income and support from those who visit our shops, make donations or take part in other fundraising activity, or those who give their time and skills through volunteering. My sincere thanks to all those who support the Hospice and made Hospice care possible for the local community.



Gary Withers
Chairman

CHARITY INFORMATION

| | | |
|--------------------------------------|---|--|
| Charity registration number | 280276 | |
| Company number | 01499846 | |
| Trustees | Dr N Benson Ms S Cockaday Ms J Ford Ms C Freshwater Dr S Grieve Ms S Pinkney Mr T Rolfe Mr E Wesson Mr G Withers Dr C Wykes Mr A Bogle Dr J Halbert | (Resigned 7 December 2021) (Appointed 26 April 2022) (Appointed 26 April 2022) |
| Hospice Leadership Team | Mr R Woolley Mr N Farthing Mr P Madden Mrs J Lavender Dr C Wilkins Mrs J Thirkettle Ms V Edwards | Chief Executive (Resigned 31 July 2021) Chief Executive (Appointed 25 January 2022) Care Director Finance Director Interim Medical Director (19th April 2021 – 6th February 2022) Clinical Director (Appointed 10 February 2022) Development and Communications Director (Appointed 24 May 2021) |
| Patrons | Mr Greg Clark MP Mr George Cohen MBE Mr Chris Cowdrey Mr Rob Eades Mr Tim Edmunds Ms Nusrat Ghani MP Ms Helen Grant MP Mr Charles Hendry Mrs Marit Rausing Mr Tom Tugendhat MP | |
| President | Mr Simon Lee | |
| Vice Presidents (Members) | Mr Peter Bennellick Mrs Sonia Burt Mr Martin Dace Mr Brian Dudley Sir Jeremy Elwes Mr Peter Lewis Prof. John Salter | |

CHARITY INFORMATION

| | |
|--|--|
| Vice Presidents (Non-members) | Mr David Payne Mr Richard Snow |
| Registered address | Maidstone Road Pembury Kent TN2 4TA |
| Independent auditors | Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE |
| Bankers | Lloyds Bank Plc 82 Mount Pleasant Road Tunbridge Wells Kent TN1 1RP |
| Investment Fund Management | Sarasin & Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU |

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (“the Charities SORP”) and Financial Reporting Standard (FRS) 102 in preparing the annual report and financial statements of the Charity. The Charity is a charitable company limited by guarantee and was established on 27 June 1980. The Charity is governed by its Memorandum and Articles of Association whose objects are entirely charitable.

Charitable Objects

The objects for which the Charity is established are:

To promote the relief of sickness in such charitable ways as the Charity shall from time to time think fit, and in particular (but without prejudice to the generality of such object):

- to promote the care without limitation of sex, race or age, of persons suffering from terminal illness or intractable pain whether in hospitals, nursing homes, clinics or their own homes and to provide medical nursing and other treatment and attention according to their needs, together with guidance and assistance for those caring for them;
- to conduct, promote and encourage research into the care and treatment of sufferers from terminal illness or intractable pain and to make publicly available the results of such research and to promote, encourage and assist in the teaching and training of doctors, nurses, physiotherapists, psychologists and other persons engaged in the care of such sufferers.

Hospice in the Weald serves a population of over 400,000 people covering an area of over 400 square miles of West Kent and East Sussex. It delivers a multi-professional service to improve the quality of life for patients with a terminal illness and those important to the patient.

Organisational Structure, Governance and Management

The Charity is established for the purposes expressed in the Articles of Association. The Trustees are expected to serve an initial term of three years and can then be re-elected to serve a further term to not normally exceed six years in total. The Board considers any Trustee vacancies to ensure that there remains on the Board a balance of skills, diversity and experience. Prospective Trustees are interviewed by the Chairman and at least two other Trustees and meet with the Chief Executive. New Trustees receive induction arranged by the Chief Executive and, in advance, receive key documents to allow them to understand the organisation.

Trustees do not receive any remuneration but are entitled to be reimbursed for any expenses incurred in attending Board meetings. No expenses were claimed during the year (2021 - £nil).

The appointment, resignation or retirement of Trustees is announced at the Charity’s Annual General Meeting (AGM).

Trustees have ultimate responsibility for the Charity. They meet at least four times a year to review the strategy and performance of the Charity and to set objectives, operating plans and budgets and approve the annual accounts.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Committees

Separate committees have been established to provide specific support and guidance to the Chief Executive and the Hospice Leadership Team (HLT). Each committee is chaired by a Trustee and determines the frequency and content of its meetings depending on the needs of the organisation. The terms of reference for each committee are reviewed by the Board once a year and the Chairman is ex-officio on all committees. The Chair of each committee gives a report to the full body of Trustees at Board meetings.

Committee Membership: -

Finance and Commercial Committee: Ms C Freshwater (Chair), Ms J Ford, Ms S Pinkney, Ms S Cockaday, Dr S Grieve, Mr T Rolfe, Mr E Wesson, Mr R Woolley (resigned 31 July 2021), Mrs J Lavender, Mr N Farthing, Mr G Withers (ex-officio).

Clinical Governance Committee: Dr C Wykes (Resigned 7 December 2021), Dr N Benson (Chair), Ms J Ford, Ms C Freshwater, Dr S Grieve, Ms S Pinkney, Ms S Cockaday, Dr C Wilkins (19th April 2021 – 6th February 2022), Mrs J Thirkettle (appointed 10 February 2022), Mr P Madden, Mr N Farthing, Mr R Woolley (resigned 31 July 2021), Mr G Withers (ex-officio).

Children's Services Committee (commenced January 2022): Ms J Ford (Chair), Dr N Benson, Mr T Rolfe, Mr E Wesson, Dr C Wykes (resigned 7 December 2021), Mr N Farthing, Mr R Woolley (resigned 31 July 2022), Ms V Edwards, Mr G Withers (ex-officio).

The Trustees delegate authority for the day to day management of the Charity and its subsidiary company to its appointed Chief Executive, supported by the Hospice Leadership Team with specialist and individual responsibility for all functional activities. The subsidiary (trading) company has a Board of Directors and operates at arm's length from the charity.

Trustee Training

The Trustees are interested in their own training and development as individuals and collectively as a Board. They are aware of organisations that help Trustees and will take part in training as required. Trustees know from the Charity Commission guidance in CC3a that Trustee E-learning is available on-line. The Trustees also join together with the Hospice Leadership team once a year in a "Development Day" which is focused on joint learning.

Public Benefit

The presumption of public benefit was removed by the Charities Act 2011. Charities are therefore required to demonstrate public benefit. The objects of Hospice in the Weald are set out on page 6. Accordingly the charitable purposes of Hospice in the Weald fall within the criteria of Section 2 of the Charities Act 2011 and thereby the organisation, which has been established exclusively for charitable purposes, is for public benefit. In planning the activities for the year, the Trustees have given careful regard to the Charity Commission's guidance on public benefit and considered its implications for the Charity.

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

Related Party Disclosures

We need to make disclosures in respect of 'related party disclosures' as FRS 102 requires disclosure of group transactions such as those in note 22. It is also prudent in this annual report to make clear that some of the income derived through our charity shops is undertaken by a trading company. We have three of the Charity Trustees, including the Chairman, act as the Directors of the trading company. The CEO and Head of Retail work alongside them and also act as Directors of the trading company. Hospice in the Weald (Trading) Ltd charged Hospice in the Weald £313,097 for donor procurement in the year to 31 March 2022 (2021 - £181,889).

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Charitable Activities

Our main focus continues to be to increase the number of Hospice palliative care referrals and we received 1,707 new referrals by the end of the financial year, an increase of 2% on the previous year.

Key Performance Indicators (KPIs) - Dashboard

The Hospice has a number of KPIs. These include clinical referrals, occupancy, patients preferred place of death, Cottage Hospice Service objectives as well as financial indicators and staff turnover. These KPI's contain both quantitative and qualitative KPIs which are reported on a regular basis through each of the Board committees.

Strategic Objectives

During the reporting period all of Hospice in the Weald's objectives, as set out the Business Plan, were linked to one or more of the following six Strategic Aims.

1. Develop and deliver our services so that each year we reach more people who are in the last year of their life, and those important to them.
2. Provide a fully integrated 24/7 Hospice Palliative Care service that is available equally across the communities we serve.
3. Be a leader in Hospice Palliative Care and End of Life Care, collaborating with other relevant organisations for this purpose, where appropriate.
4. Improve our infrastructure to build organisational resilience and develop our whole workforce to deliver high quality service.
5. Build our financial strength so that everyone in the community we serve can be confident that Hospice in the Weald will always be available to care for them and their loved ones at end of life.
6. Raise awareness of the importance of good Hospice Palliative Care, so that people living in the communities we serve have the best opportunities to celebrate their lives and die with dignity.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Charitable Activities

Hospice in the Weald continues to strive to be as supportive and accessible as ever, even with the limitations that the COVID pandemic continues to bring. The Hospice received 1707 referrals to the Hospice outreach service and the Ward, while continuing home visits through Hospice Outreach Service. We have also begun developing new initiatives to extend our reach, such as the Children's Service, and reinstated our Living well service to ensure we are providing a wide scope of care for those who need it. We also see value in adapting the Hospice Outreach Service to remain active over extended core hours, which has now become a key objective of the redesign work in this department. These changes, along with an increase in information on our free to use 'Help Hub' makes support reachable, day and night.

Hospice in the Weald has also made steps to improve its own infrastructure, to further support the workforce. A particular focus this year was around ICT support and a survey was completed assessing the strengths and areas of development in our current set up. This was sent to all areas of the organisation, to ensure everyone is benefiting from appropriate technology to perform to their best. As well as ICT, upscaling all areas of the Hospice's infrastructure is a continued area of focus, as it will not only improve workforce resilience and morale, but also give the best opportunity for high financial performance from the team. We have already seen a strong retail performance with shops returning to business as usual, with additional growth. This, coupled with the return of Fundraising activity, means we are moving towards income generation getting back on track.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Our People

Hospice in the Weald, in common with all other hospices, spends its revenue principally on the provision of care. Salary costs are, and always will be, our main expenditure. The highly skilled Consultants, Doctors, Nurses and other clinical staff are where we focus our expenditure. We have in this year, like other years, ensured that at least 90 pence of each £1 that is raised goes toward the care of our patients and those important to them.

Our volunteers are vital to all that we do. We recruit them, train them and are responsible for them. At 31 March 2022 we had 983 volunteers working across all the Services and Departments in the Hospice and in all of our shops.

Income Generation

Fundraising

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £11 million showed an increase of £153,570 over the previous year. Statutory funding from the Clinical Commissioning Groups (CCGs) increased by £110,000 to £1,028,872. This NHS statutory funding from West Kent CCG has been included in core funding.

Voluntary income by way of donations and legacies (Gift in Will) totalled £4,587,451 compared to £4,541,629 in the previous year.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit before tax of £192, a £8,557 decrease on previous year, and we:train made a £122,399 loss for the year.

Retail

The contribution from our retail shops during the year amounted to £1,582,446. This figure includes the £192 trading profit in Hospice in the Weald (Trading) Limited plus the donations raised in relation to goods sold on behalf of donors and associated Gift Aid claims. Gift Aid is claimed by the Charity in respect of donations received from donors who agree to donate funds raised from the sale of their goods. The charity appoints Hospice in the Weald (Trading) Limited to act as agent for the sale of donated goods in the retail shops in accordance with HMRC's approved methodology. Hospice in the Weald (Trading) Limited charges donors a commission for selling their goods as their agent and makes a charge to the Charity for the service it provides in procuring donations for the Charity.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Income generation compliance report

Hospice in the Weald employs a core fundraising staff to develop, promote and run a range of fundraising campaigns, assisted by vital volunteers and taken up by our supporters. We steward our donors and promote our fundraising campaigns to them, and the wider community which we serve, through direct mail, e-mail contact, telephone and digitally.

We constantly monitor the cost and time which goes into each fundraising activity against the financial return to ensure we are making the most of every donation received.

We are registered with the Fundraising Regulator and work in accordance with the Code of Fundraising Practice, and the best practice laid out by the Hospice Lotteries Association, Institute of Fundraising and Charity Retail Association. Our lottery and raffles are promoted in accordance with the Gambling Commission guidelines and we have checks in place to monitor third parties who carry out work for us, or who we enter into contracts with.

We received no complaints through the Fundraising Regulator during the year. We review the frequency and appropriateness of our communications and provide an option for supporters to 'opt-out' of our communications. We contact based on legitimate interest, and operate a Supporter promise which is clearly communicated on our website.

We continue to listen to our supporters and to learn from them to shape our fundraising activity. Our supporters are very important to us and we put them at the heart of everything we do.

Financial Review

The overall result for the year after unrealised gains, and including restricted funds, amounted to a surplus of £887,238 (2021 £3,444,826).

Operating Expenditure

We are reporting a slight increase in our total operating expenditure from £7,447,107 to £7,545,596 a 1.3% increase year on year.

Financial Management

Core funding from the NHS stayed static in real terms, as has the Department of Health's contribution to the costs of the NHS Pension Scheme. Again, pension cost increases have been funded out of voluntary income. We continue to make the case for an increased contribution from the NHS.

As a direct result of the COVID pandemic the Hospice received one off grants. The NHSE awarded funding of £1.1 million to allow the hospice to make available bed capacity and community support from December 2021 to March 2022.

Investments

An unrealised gain on investments of £904,890 is included in the overall result for the year of £887,238. In the year to 31 March 2022, the investment portfolio managed by Sarasin & Partners produced a return of +5.2% (after all fees and costs) which compared to the index based benchmark return of +9.1%, the Asset Risk Consultant (ARC) Charity Peer Group return of +6.3% and the long term CPI+4% target of +10.4%.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. The Board defines free reserves as readily realisable assets, mainly liquid investments and bank balances, less liabilities and accrued expenses. The Trustees consider that it is prudent and desirable and consistent with the Charity Commission guidelines to hold a level of free reserves and that this should be equivalent to at least one year's budgeted forward expenditure, considering likely scenarios in respect of current income streams. The Charity's forward expenditure for 2022-23 has been budgeted at £9.5 million. The Charity's free reserves at 31 March 2022 were £18 million. In addition, the Trustees have approved a £855k deficit budget for 2022-23 which reflected the ongoing challenges arising from the Covid-19 pandemic. Steps are being taken in year to mitigate this deficit.

Trustees have designated the following funds:

- £8.2 million for future development needs
- £500k for the Children's Service fund
- £1 million for the building maintenance fund
- £500k for the development of our ICT infrastructure

The Charity has no restricted funds at 31 March 2022 and after these designations the Charity's General Funds amount to £9 million.

Funds

- a) Restricted – these funds represent the balance of specific donations received after expenditures have been made in accordance with the donors' wishes and are therefore not freely available.
- b) Designated – these are funds which the Board has earmarked for specific capital commitments and new initiatives. The majority of designated funds relate to Hospice buildings necessary to create the infrastructure to enable the Hospice to further its general objectives.
- c) General – these funds represent the balance of reserves which are available to meet existing liabilities and contracted obligations and future operating costs.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate against such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Hospice Leadership Team and Trustees have identified the following key areas of risk and have taken appropriate action, as far as it is possible and practical, to protect the organisation from any potential adverse exposures that could arise from:

1. Changes in external environment which result in there being a reduction in non-statutory funding and where we are not able to maintain historic levels of voluntary/community fundraising.
2. Changes in the external environment which result in there being a lack of statutory (State/NHS) funding and where Clinical Commissioning Groups (CCGs) do not commission/fund at historic levels of NHS funding.
3. Direct competition from other organisations who want to provide services we have traditionally provided, undermining our position in the community.
4. Damage to our reputation from a clinical error which adversely affects our standing.
5. Damage to our reputation from a non-clinical incident or error which adversely affects the organisation and its standing.

The above 5 risks are the current high-level risks and are identified through various systems and processes and are included in the Board Assurance Framework (BAF). These risks and all other risks that are identified for the organisation are managed in accordance with a comprehensive risk strategy that determines the scoring system for both the likelihood of a risk and the consequences, if that risk were to come to fruition. This gives both the management and the Trustees the view of a raw scoring system which is then subjected to a number of management actions to mitigate the likelihood of the risk occurring. These mitigating management actions are kept under constant review.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Future Developments

There are a number of areas of development which will help the Hospice reach more people and improve access to its care. The first is the launch of the new service for children, which will commence in late 2022. There has been a significant period of engagement from other stakeholders, which has influenced the service design. The first members of staff have been recruited and will start by providing care for children in their own homes.

For adult patients, the Hospice Outreach Service will undergo changes to the ways of working with the aim of empowering patients to ask for the help they need when they need it, and to enable the Hospice to make best use of staff and volunteer resources. This will enable us to ensure we have the right person caring for each patient at the right time, in the right setting.

We will conduct a review of our communications to patients, employing user experience principles to ensure we are meeting the needs of patients and their loved ones in the most flexible and appropriate ways. We will also look at implementing a tool to help patients remotely monitor their symptoms, giving them more ways to help manage their wellbeing and better information to communicate with us about their needs.

Our calendar of fundraising events was paused due to the COVID pandemic, and so restarting those events and increasing income generation activity in general is also an area of focus for the year ahead.

We will overhaul our approach to data and insights across the organisation, taking a new approach to data as an asset, using and improving the quality of our data to enable us to make decisions based on insights wherever possible.

STATEMENT OF THE RESPONSIBILITIES OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Statement of the Responsibilities of the Trustees

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

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

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This Annual Report and Consolidated Financial Statements were approved by the Board of Trustees on 1 November 2022. The Board of Trustees also specifically approved the Strategic Report on 1 November 2022. This is signed on their behalf by:



Gary Withers - Chairman

Agreed by the Board

Date: 1 November 2022



Nick Farthing - CEO



Gary Withers - Chairman

Signed on behalf of the Board

Date: 30 November 2022



Nick Farthing - CEO

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

| | | Unrestricted Fund 2022 | Restricted Fund 2022 | Total 2022 | Unrestricted Fund 2021 | Restricted Fund 2021 | Total 2021 |
|---|-------|---------------------------|-------------------------|-------------------|---------------------------|-------------------------|-------------------|
| | Notes | £ | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | | |
| Donations and legacies | | 4,587,451 | - | 4,587,451 | 4,541,629 | - | 4,541,629 |
| Investments | 4 | 187 | - | 187 | 1,024 | - | 1,024 |
| Charitable Activities | | | | | | | |
| Restaurant & Coffee Shop | | 10,912 | - | 10,912 | 4,676 | - | 4,676 |
| Core funding | 2.1 | 1,028,872 | - | 1,028,872 | 918,872 | - | 918,872 |
| Other grants | 2.2 | 519,535 | 1,123,476 | 1,643,011 | 1,960,384 | 2,192,060 | 4,152,444 |
| Retail Shop sales | | 3,586,914 | - | 3,586,914 | 1,128,838 | - | 1,128,838 |
| Other trading activities | 3 | 190,947 | - | 190,947 | 147,241 | - | 147,241 |
| TOTAL INCOME | | 9,924,818 | 1,123,476 | 11,048,294 | 8,702,664 | 2,192,060 | 10,894,724 |
| Expenditure on: | | | | | | | |
| Raising funds | 6 | 3,520,350 | - | 3,520,350 | 2,978,896 | - | 2,978,896 |
| Charitable Activities | | | | | | | |
| Hospice Services | 7 | 6,422,120 | 1,123,476 | 7,545,596 | 5,158,822 | 2,288,285 | 7,447,107 |
| TOTAL EXPENDITURE | | 9,942,470 | 1,123,476 | 11,065,946 | 8,137,718 | 2,288,285 | 10,426,003 |
| Net (losses) / gains on investment assets | 11 | 904,890 | - | 904,890 | 2,976,105 | - | 2,976,105 |
| Net income and movement in Funds | | 887,238 | - | 887,238 | 3,541,051 | (96,225) | 3,444,826 |
| Reconciliation of Funds | | | | | | | |
| Total funds brought forward | | 27,193,129 | - | 27,193,129 | 23,652,078 | 96,225 | 23,748,303 |
| TOTAL FUNDS CARRIED FORWARD | 17 | 28,080,367 | - | 28,080,367 | 27,193,129 | - | 27,193,129 |

The notes on pages 21 to 38 form part of these financial statement

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2022**

| | Notes | Group | | Charity | |
|--|-------|-------------------|-------------------|-------------------|-------------------|
| | | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | 9,156,665 | 8,861,901 | 8,877,196 | 8,576,080 |
| Investments | 11 | 16,176,516 | 16,350,950 | 16,176,516 | 16,350,950 |
| Shares in subsidiaries | 12 | - | - | 100 | 100 |
| | | 25,333,181 | 25,212,851 | 25,053,812 | 24,927,130 |
| Current assets | | | | | |
| Stocks | 13 | 6,765 | 13,754 | - | - |
| Debtors | 14 | 751,161 | 557,170 | 1,144,956 | 962,364 |
| Cash at bank and in hand | | 2,697,113 | 2,006,874 | 2,582,098 | 1,892,308 |
| | | 3,455,039 | 2,577,798 | 3,727,054 | 2,854,672 |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | (707,853) | (597,520) | (700,499) | (592,597) |
| Net current assets | | 2,747,186 | 1,980,278 | 3,026,555 | 2,262,075 |
| Total assets less current liabilities | | | | | |
| | | 28,080,367 | 27,193,129 | 28,080,367 | 27,189,205 |
| Funds | | | | | |
| Unrestricted funds: | | | | | |
| Designated funds: - | | | | | |
| Hospice Fixed Assets | 17 | 8,877,196 | 8,576,073 | 8,877,196 | 8,576,073 |
| Hospice Designated Funds | 17 | 10,196,748 | 11,275,000 | 10,196,748 | 11,275,000 |
| Total designated funds | 17 | 19,073,944 | 19,851,073 | 19,073,944 | 19,851,073 |
| General funds | 17 | 9,006,423 | 7,342,056 | 9,006,423 | 7,338,132 |
| Total unrestricted funds | 17 | 28,080,367 | 27,193,129 | 28,080,367 | 27,189,205 |
| Restricted funds | 17 | - | - | - | - |
| Total funds | 17 | 28,080,367 | 27,193,129 | 28,080,367 | 27,189,205 |

The notes on pages 21 to 38 form part of these financial statements.

As permitted by S408 of the Companies Act 2006 the charity has not presented its own income and expenditure and related notes. Charity only income of £10,861,463 is included and a surplus of £891,162 resulted for the year for the charity.

Approved by the Board on 1 November 2022 and authorised for issue on 30 November 2022



Gary Withers - Chairman



Nick Farthing - CEO

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

| | Notes | Group | | |
|--|-----------|----------------------|--------------------|--------------------|
| | | 2022 £ | 2021 £ | |
| Cash flows from operating activities | | | | |
| <i>Net cash provided by operating activities</i> | 20 | <u>500,559</u> | <u>1,144,544</u> | |
| Cash flows from investing activities: | | | | |
| Dividends, interest and rents from investments | | 187 | 1,024 | |
| Proceeds from the sale of investments | | 1,000,000 | 1,029,890 | |
| Purchase of property, plant & equipment / investment properties | | (768,270) | (30,763) | |
| Purchase of investments | | <u>(20,692)</u> | <u>(2,464,754)</u> | |
| <i>Net cash used in investing activities</i> | | <u>211,225</u> | <u>(1,464,603)</u> | |
| <i>Change in cash and cash equivalents in the reporting period</i> | | 711,783 | (320,059) | |
| Cash and cash equivalents at the beginning of the reporting period | | <u>2,006,874</u> | <u>2,326,933</u> | |
| <i>Cash and cash equivalents at the end of the reporting period</i> | | <u>2,718,657</u> | <u>2,006,874</u> | |
| Analysis of Changes in Net Debt | | | | |
| Group | | Start of Year | Cash Flows | End of Year |
| Cash | | 2,006,874 | 690,239 | 2,697,113 |
| Investment cash | | - | 21,544 | 21,544 |
| | | <u>2,006,874</u> | <u>711,783</u> | <u>2,718,657</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

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

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019 - (Charities SORP 2nd edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Hospice in the Weald 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 notes.

The financial statements are presented in pounds sterling (GBP), being the functional currency of the group, and are rounded to the nearest thousand pounds.

b) Preparation of the accounts on a going concern basis

Hospice in the Weald had £9,006,423 of unrestricted reserves to draw on as at 31 March 2022 should income fall dramatically during the next 2 years. Trustees consider it appropriate to prepare the accounts on a going concern basis. There are no material uncertainties about the group's ability to continue as stated in Principal Risks and Uncertainties on page 15 of the Strategic Report.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Hospice in the Weald (Trading Limited) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by paragraph 408 of the Companies Act 2006.

d) Income

Income is recognised upon entitlement, when the receipt is probable and when the value can be reliably measured. Legacies are recognised when receipt is probable. Legacy income, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executors' intention to make distribution. Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

e) Statutory funding

Income received under agreements with statutory bodies is included in these accounts on a receivable basis where a contract exists. Where no contract exists, the income is recognised in accordance with the wishes of the relevant statutory body when it becomes probable that the income will be received, and it can be measured with sufficient reliability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

f) Investment income

Investment income represents gross income derived from investments held under unrestricted funds and is accounted for on a receivable basis.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

h) Expenditure

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

- Costs of raising funds comprise the costs of fundraising and commercial trading
- Expenditure on charitable activities is the provision of care to patients and those important to them

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include ICT, finance, facilities and governance costs and are allocated on a departmental basis.

j) Operating leases

The charity classifies the lease of retail premises as operating leases; the title to the freehold or equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where their individual item cost exceeds £5,000 and then depreciated over their economic useful lives, less residual values, as follows:

- Hospice buildings – over the expected useful life of 35 years (building refurbishments are not depreciated in the year they are undertaken, but start in the following period)
- Rusthall Shop (Freehold) - over the expected useful life of 50 years
- Equipment – 25% on a straight-line basis
- Software – 25% on a straight-line basis
- Motor vehicles – 25% on a reducing balance basis
- Leasehold Shop refits – Equally over the life of the lease

The Hospice regularly reviews the projected useful life of all fixed assets to determine that the cost is fairly amortised over the expected life of the asset. The Hospice building, which includes a significant element of specialist facilities, has been reviewed with the benefit of professional advice. It is concluded that consistent with similar facilities and with the benefit of regular maintenance the existing building should have a life expectancy of 35 years from April 1999 before needing to be replaced. Similarly the Cottage Hospice has a life expectancy of 35 years from December 2019 before needing to be replaced.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

l) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in a subsidiary company is held at cost less accumulated impairment losses.

m) Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

n) Financial instruments

Financial instruments are recognised in the Balance Sheet when Hospice in the Weald becomes party to the contractual provisions of the instrument. The group has elected to apply the provisions of section 11 "Basic Financial Instruments" of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends upon the nature and purpose of the instruments and is determined at the time of recognition. Hospice in the Weald's financial instruments are categorised as basic financial instruments.

o) Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

p) Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

q) Stock

Stocks of donated goods are not brought into these financial statements under SORP FRS 102, paragraph 6.29. Stocks accounted for are goods for resale, which are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

r) Debtors

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

s) Cash at bank and in hand

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

t) Creditors and provisions

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

u) Pensions

The group contributes to the NHS Superannuation scheme for nursing and medical staff, which is a defined benefit scheme treated as a defined contribution scheme, and to a defined contribution scheme in respect of its other employees. Contributions are charged in the accounts as incurred or as a liability when recognised in accordance with employment legislation.

v) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

w) Estimates and area of judgements / uncertainty

The group does not make estimates or assumptions regarding the future and has no intangible assets. All leases are operating leases.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Financial Performance of the charity - Incoming Resources

2.1 Core funding from statutory bodies

| | 2022 | 2021 |
|-------------------------------|-------------------------|-----------------------|
| | £ | £ |
| West Kent CCG | 928,260 | 818,260 |
| East Sussex Downs & Weald CCG | 100,612 | 100,612 |
| | <u>1,028,872</u> | <u>918,872</u> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2.2 Other grants

| | 2022 | | | 2021 | | |
|---|---------------------|-------------------|------------------|---------------------|-------------------|------------------|
| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| | £ | £ | £ | £ | £ | £ |
| NHSE COVID | - | 1,123,476 | 1,123,476 | - | 2,192,060 | 2,192,060 |
| WKCCG Pharmacy | 110,549 | - | 110,549 | 94,692 | - | 94,692 |
| WKCCG Continuing Care & Fees | 138,543 | - | 138,543 | 94,398 | - | 94,398 |
| Workforce Development Fund | 13,798 | - | 13,798 | 9,010 | - | 9,010 |
| Kent County Council Social Services | 28,540 | - | 28,540 | 33,240 | - | 33,240 |
| Kent, Surrey & Sussex Deanery | 87,214 | - | 87,214 | 79,845 | - | 79,845 |
| Coronavirus Job Retention Scheme Grant (Furlough) | 5,910 | - | 5,910 | 283,934 | - | 283,934 |
| Research Grants | 24,718 | - | 24,718 | - | - | - |
| Business Interruption Insurance Claim | - | - | - | 574,397 | - | 574,397 |
| Shop local council COVID grants | 110,263 | - | 110,263 | 790,868 | - | 790,868 |
| | 519,535 | 1,123,476 | 1,643,011 | 1,960,384 | 2,192,060 | 4,152,444 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Commercial trading operations

| | 2022 | 2021 |
|-------------------------------------|--------------|--------------|
| | £ | £ |
| Income | 504,044 | 329,130 |
| Cost of sales | (44,928) | (27,466) |
| Administrative expenses | (458,924) | (292,915) |
| Total expenditure | (503,852) | (320,381) |
| Net Profit for the year | 192 | 8,749 |
| Amount gifted to the charity | 3,547 | 8,749 |

Commercial trading operations cont.

Included in income is £313,097 (2021: £181,889) of transactions between the two companies that have been removed upon consolidation being the procurement charge in regard to sales made under the gift aid scheme.

4. Investment income and interest

| | 2022 | 2021 |
|---------------|-------------|--------------|
| | £ | £ |
| Bank interest | 187 | 1,023 |
| Dividends | - | 1 |
| | 187 | 1,024 |

5. Total net incoming resources are stated after charging:

| | 2022 | 2021 |
|--|-------------|-------------|
| | £ | £ |
| Amounts payable to the auditors in respect of: Statutory audit | 21,500 | 25,000 |
| Amounts payable to the auditors in respect of other services (corporation tax compliance) | 2,900 | 3,025 |
| Depreciation | 464,464 | 473,456 |
| Operating lease rentals | 421,077 | 538,907 |

6. Raising Funds Expenditure

| | 2022 | 2021 |
|----------------------------|------------------|------------------|
| | £ | £ |
| Fundraising costs | 885,157 | 835,943 |
| Retail Shops | 2,555,869 | 2,142,953 |
| Investment Management Fees | 79,324 | - |
| | 3,520,350 | 2,978,896 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Hospice Services

Direct costs

| | 2022 | | | 2021 | | |
|----------------------|---------------------|-------------------|------------------|---------------------|-------------------|------------------|
| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| | £ | £ | £ | £ | £ | £ |
| Hospice in the Home | 2,057,862 | - | 2,057,862 | 1,877,481 | 74,951 | 1,952,432 |
| Cottage Hospice | 854,833 | - | 854,833 | 663,765 | 96,225 | 759,990 |
| Counselling | 316,429 | - | 316,429 | 274,207 | - | 274,207 |
| Hospice Day Services | 273,811 | - | 273,811 | 676,369 | - | 676,369 |
| In-Patient Ward | 1,322,575 | 1,123,476 | 2,446,051 | - | 2,117,109 | 2,117,109 |
| Children's Service | 35,093 | - | 35,093 | - | - | - |
| Hospitality | 425,578 | - | 425,578 | 443,875 | - | 443,875 |
| Communications | 50,278 | - | 50,278 | 43,482 | - | 43,482 |
| Depreciation | 458,029 | - | 458,029 | 473,453 | - | 473,453 |
| | 5,794,488 | 1,123,476 | 6,917,964 | 4,452,632 | 2,288,285 | 6,740,917 |

Support Costs

Indirect costs of providing Hospice Services

| | 2022 | | | 2021 | | |
|-------------------------------------|---------------------|-------------------|------------------|---------------------|-------------------|------------------|
| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| | £ | £ | £ | £ | £ | £ |
| Office costs | 233,059 | - | 233,059 | 278,961 | - | 278,961 |
| Information technology | 108,480 | - | 108,480 | 104,007 | - | 104,007 |
| Accommodation | 236,776 | - | 236,776 | 284,893 | - | 284,893 |
| Accountancy and audit | 25,850 | - | 25,850 | 20,175 | - | 20,175 |
| Legal Costs | 23,467 | - | 23,467 | 18,154 | - | 18,154 |
| | 627,632 | - | 627,632 | 706,190 | - | 706,190 |
| Total Hospice Services costs | 6,422,120 | 1,123,476 | 7,545,596 | 5,158,822 | 2,288,285 | 7,447,107 |

No Member of the Board received any remuneration, fees or reimbursement of expenses from the group during the year under review or the previous year.

No Member of the Board was associated with any contract of purchase or supply to the Hospice during the year under review or the previous year except as set out in note 22.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| 8. Staff costs | 2022 | 2021 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 6,169,719 | 5,758,435 |
| Social security costs | 531,624 | 500,359 |
| Other pension costs - unrestricted | 514,066 | 506,648 |
| | <u>7,215,409</u> | <u>6,765,442</u> |
| The average number of persons working for the group (excluding Trustees and volunteers) during the year was as follows | | |
| | 2022 | 2021 |
| Medical and nursing | 134 | 128 |
| Counselling & Support Services | 9 | 8 |
| Fundraising (including Lottery) | 16 | 13 |
| Facilities, Catering and Housekeeping | 22 | 24 |
| Shops | 45 | 40 |
| Commercial Trading | 3 | 4 |
| Finance and IT | 7 | 6 |
| Management and administration | 7 | 8 |
| | <u>243</u> | <u>231</u> |

Bank (zero contract hours) and agency staff have not been included in the staff numbers

The number of employees whose emoluments exceeded £60,000 was:

| | | |
|---------------------|-----------------|-----------------|
| £60,001 - £70,000 | 2 | 2 |
| £80,001 - £90,000 | 1 | - |
| £100,001 – £110,000 | - | 1 |
| £110,001 – £120,000 | 1 | - |
| £130,001 - £140,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

In respect of higher paid employees benefits were paid into a defined contribution scheme for 1 (2021:2) employees and into a defined benefit scheme for 1 (2021:2) employees. Total contributions to a defined contribution scheme in respect of these employees were £11,733 (2021: £16,045).

Key management personnel remuneration costs for the year amounted to £466,314 (2021: £430,009).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Pension costs

The group contributes to the NHS Superannuation scheme for nursing and medical staff and to a defined contribution scheme for other staff. The NHS Superannuation Scheme is an approved multi-employer scheme and, as such, the charity is not able to identify its share of assets or the potential liability it may have to the scheme at the balance sheet date. Contributions payable in the accounting period are charged to the statement of financial activities as they fall due. The pension costs, classified under staff costs, represent contributions payable by the group to the schemes and amount to £514,066 (2021: £506,648).

10. Tangible fixed assets

| Group Cost or valuation | Investment Properties | Freehold Properties | Leasehold Shop refits | Motor Vehicles | Equipment | Total |
|------------------------------------|----------------------------------|--------------------------------|----------------------------------|---------------------------|------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| At 1 April 2021 | 285,821 | 11,982,990 | 232,134 | 51,050 | 309,937 | 12,861,932 |
| Additions | | 757,906 | - | - | 10,369 | 768,275 |
| Transfers | (285,821) | 285,821 | - | - | - | - |
| Disposals | | (9,036) | - | - | (59,056) | (68,092) |
| At 31 March 2022 | - | 13,017,081 | 232,134 | 51,050 | 261,250 | 13,562,115 |
| Depreciation | | | | | | |
| At 1 April 2021 | - | 3,651,493 | 88,073 | 32,530 | 227,935 | 4,000,031 |
| Charge for year | - | 389,980 | 29,742 | 5,832 | 38,910 | 464,464 |
| Depreciation on disposal | - | - | - | - | (59,045) | (59,045) |
| At 31 March 2022 | - | 4,041,473 | 117,815 | 38,362 | 207,800 | 4,405,450 |
| Net book value | | | | | | |
| At 31 March 2022 | - | 8,976,208 | 114,319 | 12,688 | 53,450 | 9,156,665 |
| At 31 March 2021 | 285,821 | 8,331,497 | 144,061 | 18,520 | 82,002 | 8,861,901 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Tangible fixed assets cont.

| Charity | Freehold | Leasehold | Motor | Equipment | Total |
|--------------------------|-------------------|--------------------|-----------------|------------------|-------------------|
| Cost or valuation | Properties | Shop refits | Vehicles | Equipment | Total |
| | £ | £ | £ | £ | £ |
| At 1 April 2021 | 11,982,990 | 232,134 | 51,050 | 301,018 | 12,567,192 |
| Additions | 757,906 | - | - | 10,369 | 768,275 |
| Disposals | (9,036) | - | - | (59,056) | (68,092) |
| At 31 March 2022 | 12,731,860 | 232,134 | 51,050 | 252,331 | 13,267,375 |
| Depreciation | | | | | |
| At 1 April 2021 | 3,651,493 | 88,073 | 32,530 | 219,016 | 3,991,112 |
| Charge for year | 383,628 | 29,742 | 5,832 | 38,910 | 458,112 |
| Depreciation on disposal | - | - | - | (59,045) | (59,045) |
| At 31 March 2022 | 4,035,121 | 117,815 | 38,362 | 198,881 | 4,390,179 |
| Net book value | | | | | |
| At 31 March 2022 | 8,696,739 | 114,319 | 12,688 | 53,450 | 8,877,196 |
| At 31 March 2021 | 8,331,497 | 144,061 | 18,520 | 82,002 | 8,576,080 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Fixed Assets Investments Portfolio

| Group and Charity | 2022 | 2021 |
|---|--------------------------|--------------------------|
| | £ | £ |
| Quoted and listed investments | <u>16,176,516</u> | <u>16,350,950</u> |
| Quoted and listed investments comprise: | | |
| UK managed funds | <u>16,176,516</u> | <u>16,350,950</u> |
| Movements on quoted and listed investments: | | |
| Market Value at beginning of the year | 16,350,950 | 11,939,981 |
| Additions at cost | 20,692 | 2,464,754 |
| Disposals at carrying value | (1,000,000) | (1,029,890) |
| Net gain on revaluation | 783,330 | 2,976,105 |
| Movement on cash balance | 21,544 | - |
| Market value at the end of the year | <u>16,176,516</u> | <u>16,350,950</u> |
| Cost at 31 March | <u>12,476,602</u> | <u>12,758,526</u> |
| Investments which comprise more than 5% of the total market value of investments at the 31 March 2022 were: | | |
| Sarasin Alpha CIF for endowments (accumulated units) | | <u>16,176,516</u> |

12. Shares in subsidiary undertakings

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Cost of shares in subsidiary undertakings | <u>100</u> | <u>100</u> |

| | % of Ordinary Shares held | Country of incorporation |
|--|--|-------------------------------------|
| Hospice in the Weald (Trading) Limited | 100% | England and Wales |

Hospice in the Weald (Trading) Limited, company no 1886504, has assets of £401,249 and liabilities of £401,149.

13. Stocks

| | Group | | Charity | |
|------------------|--------------|---------------|----------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Goods for resale | <u>6,765</u> | <u>13,754</u> | <u>-</u> | <u>-</u> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Debtors

| | Group | | Charity | |
|--------------------------------|----------------|----------------|------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Other debtors | 123,440 | 109,775 | 123,440 | 109,775 |
| Trade debtors | 30,978 | 21,375 | 30,978 | 8,651 |
| HITW (Trading) Ltd | - | - | 393,795 | 417,918 |
| Accrued income | 370,380 | 254,000 | 370,380 | 254,000 |
| Prepayments and deferred costs | 226,363 | 172,020 | 226,363 | 172,020 |
| | <u>751,161</u> | <u>557,170</u> | <u>1,144,956</u> | <u>962,364</u> |

The advance to Hospice in the Weald (Trading) Limited is in order to fund the fixed and working capital requirements of that company and carries interest at current market rates.

15. Creditors

| | Group | | Charity | |
|---|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Amounts due within one year | | | | |
| Trade creditors | 438,442 | 294,743 | 438,442 | 294,742 |
| Other Creditors | 17,003 | 21,017 | 9,648 | 16,095 |
| Other taxation and social security creditor | 137,533 | 139,117 | 137,533 | 139,117 |
| Pension accrual | 11,085 | 4,206 | 11,085 | 4,206 |
| Accruals | 47,349 | 73,897 | 47,349 | 73,897 |
| Deferred income | 56,441 | 64,540 | 56,441 | 64,540 |
| | <u>707,853</u> | <u>597,520</u> | <u>700,498</u> | <u>592,597</u> |

| | 2022 | 2021 |
|------------------------|---------------|---------------|
| | £ | £ |
| Deferred Income | | |
| Brought forward | 64,540 | 68,267 |
| Deferred income | 56,441 | 64,540 |
| Released | (64,540) | (68,267) |
| Carried forward | <u>56,441</u> | <u>64,540</u> |

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place and we:train courses which are released as and when the course takes place.

16. Financial Instruments

Financial Instruments - Group

| | 2022 | 2021 |
|---|------------|------------|
| | £ | £ |
| Carrying amount of financial assets | | |
| Equity instruments measured at fair value through profit loss | 16,176,516 | 16,350,950 |

Financial Instruments - Charity

| | £ | £ |
|---|------------|------------|
| Carrying amount of financial assets | | |
| Equity instruments measured at fair value through profit loss | 16,176,516 | 16,350,950 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Movement in funds

| Group | Balance at 1 April 2021 £ | Incoming resources £ | Resources expended £ | Transfers / Other gains £ | Balance at 31 March 2022 £ |
|-------------------------------|------------------------------------|----------------------------|----------------------------|---------------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General fund | 7,342,056 | 9,224,629 | (8,465,152) | 904,890 | 9,006,423 |
| Designated funds | | | | | |
| Hospice Fixed Assets | 8,576,073 | 700,189 | (399,066) | - | 8,877,196 |
| Future Development Needs | 10,275,000 | - | (1,078,252) | (1,000,000) | 8,196,748 |
| Building Maintenance Fund | - | - | - | 1,000,000 | 1,000,000 |
| Children's Services Fund | 500,000 | - | - | - | 500,000 |
| IT Development Fund | 500,000 | - | - | - | 500,000 |
| Total designated funds | 19,851,073 | 700,189 | (1,477,318) | - | 19,073,944 |
| Restricted funds | - | 1,123,476 | (1,123,476) | - | - |
| | 27,193,129 | 11,048,294 | (11,065,946) | 904,890 | 28,080,367 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Movement in funds cont.

| Charity | Balance at 1 April 2021 £ | Incoming resources £ | Resources expended £ | Transfers / Other gains £ | Balance at 31 March 2022 £ |
|-------------------------------|------------------------------------|----------------------------|----------------------------|---------------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General fund | 7,338,132 | 9,037,798 | (8,274,398) | 904,890 | 9,006,423 |
| Designated funds | | | | | |
| Hospice Fixed Assets | 8,576,073 | 700,189 | (399,066) | - | 8,877,196 |
| Future Development Needs | 10,275,000 | - | (1,078,252) | (1,000,000) | 8,196,748 |
| Building Maintenance Fund | - | - | - | 1,000,000 | 1,000,000 |
| Children's Services Fund | 500,000 | - | - | - | 500,000 |
| IT Development Fund | 500,000 | - | - | - | 500,000 |
| Total designated funds | <u>19,851,073</u> | <u>700,189</u> | <u>(1,477,318)</u> | <u>-</u> | <u>19,073,944</u> |
| Restricted funds | - | 1,123,476 | (1,123,476) | - | - |
| | <u>27,189,205</u> | <u>10,861,463</u> | <u>(10,875,192)</u> | <u>904,890</u> | <u>28,080,367</u> |

Designated Funds: The Trustees have designated funds to provide for future development and maintenance of the Hospice buildings; launch of Children's Services in late 2022; ICT Development Fund to improve IT infrastructure and business systems, including stable Wi-Fi and improved telephony

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Analysis of group net assets between funds

| | General Funds | Designated Funds | Restricted Funds | Total Funds |
|--------------------------------------|--------------------------|-----------------------------|-----------------------------|------------------------|
| | £ | £ | £ | £ |
| Group 2022 | | | | |
| Fixed assets | 279,469 | 8,877,196 | - | 9,156,665 |
| Investments | 5,979,768 | 10,196,748 | - | 16,176,516 |
| Current assets | 3,455,039 | - | - | 3,455,039 |
| Current liabilities | (707,853) | - | - | (707,853) |
| | 9,006,423 | 19,073,944 | - | 28,080,367 |
| Charity 2022 | | | | |
| Tangible fixed assets | - | 8,877,196 | - | 8,877,196 |
| Investments | 5,979,768 | 10,196,748 | - | 16,176,516 |
| Shares in subsidiary company | 100 | - | - | 100 |
| Current assets | 3,727,053 | - | - | 3,727,053 |
| Current liabilities | (700,498) | - | - | (700,498) |
| | 9,006,423 | 19,073,944 | - | 28,080,367 |
| Group 2021 | | | | |
| Fixed assets & investment properties | - | 8,861,901 | - | 8,861,901 |
| Investments | 5,361,778 | 10,989,172 | - | 16,350,950 |
| Current assets | 2,572,875 | - | - | 2,572,875 |
| Current liabilities | (592,597) | - | - | (592,597) |
| | 7,342,056 | 19,851,073 | - | 27,193,129 |
| Charity 2021 | | | | |
| Tangible fixed assets | - | 8,576,080 | - | 8,576,080 |
| Investments | 5,075,957 | 11,274,993 | - | 16,350,950 |
| Shares in subsidiary company | 100 | - | - | 100 |
| Current assets | 2,854,672 | - | - | 2,854,672 |
| Current liabilities | (592,597) | - | - | (592,597) |
| | 7,338,132 | 19,851,073 | - | 27,189,205 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Operating leases – All Property

| | 2022 | 2021 |
|---|-------------------------|-------------------------|
| | £ | £ |
| At 31 March 2022 the group and charity were committed to: | | |
| Leases which expire - within one year | 580,974 | 538,907 |
| - within 2 to 5 years | 1,365,413 | 1,215,161 |
| - after 5 years | 513,430 | 314,231 |
| | <u>2,459,817</u> | <u>2,068,299</u> |

20. Reconciliation of net income to net cash flow from operating activities

| | Group | |
|---|-----------------------|-------------------------|
| | 2022 | 2021 |
| | £ | £ |
| <i>Net income for the reporting period (as per the Statement of financial activities)</i> | 887,238 | 3,444,826 |
| Adjustments for: | | |
| Depreciation charges | 464,464 | 473,456 |
| (Gains) / losses on investments | (783,330) | (2,976,105) |
| Dividends, interest and rents from investments | (187) | (1,024) |
| (Profit) / loss on the sale/disposal of fixed assets | 9,036 | 177,766 |
| Decrease / (Increase) in stocks | 6,989 | (2,698) |
| Decrease / (increase) in debtors | (193,992) | 22,893 |
| Increase / (Decrease) in creditors | 110,341 | 5,430 |
| | <u>500,559</u> | <u>1,144,544</u> |

21. Members' liability

Hospice in the Weald is a company limited by guarantee, with no share capital. Every member undertakes to meet the liabilities of the company in the event of its being wound up. The potential liability of each member does not exceed £1. Total guarantees at 31 March 2022 were £25 (2021:£25).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Related party transactions

J Ford is a trustee of the charity and a partner in Cripps Pemberton Greenish, purchases of £nil (2021: £1,066) were made from Cripps Pemberton Greenish during the year for advice regarding NHSE grant repayments. There was no outstanding balance at year end (2021: £nil) and no provision for doubtful debts has therefore been made.

Included in total expenditure is £2,400 (2021: £2,400) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited that have been removed upon consolidation. £2,400 (2021: £2,400) is for shared office facilities at the Hospice building.

Included within debtors in the Charity balance Sheet is an amount of £ 396,223 (2021: £417,918) owed by Hospice in the Weald (Trading) Limited, a wholly owned subsidiary of Hospice in the Weald. This balance was eliminated on consolidation.

Related party transactions are carried out on an arm's length basis-

23. Capital Commitments

At 31 March 2022 the group had no capital commitments (2021: £575,000).

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Opinion

We have audited the financial statements of Hospice in the Weald (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise of the consolidated statement of financial activities, group balance sheet, charity balance sheet, consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

HOSPICE IN THE WEALD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD

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.

Opinions 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' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, through significant fines, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

HOSPICE IN THE WEALD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE IN THE WEALD**

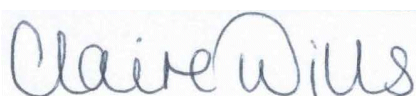
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
 Claire Wills (Senior Statutory Auditor)
 for and on behalf of Saffery Champness LLP

| | |
|--------------------|--------------------------|
| Chartered | 71 Queen Victoria Street |
| Accountants | London |
| Statutory Auditors | EC4V 4BE |

Date: 02 December 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006