



HOSPICE IN THE WEALD

ANNUAL REPORT (and consolidated financial statements)

YEAR ENDED 31 MARCH 2023

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

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Introduction from our Chairman

I am delighted to present this year's annual report which sets out our performance over the last financial year, and our plans for the future. During this period, we saw a return to business as usual with COVID seemingly a distant memory. The mark left by the impact of the pandemic is still visible but, we've continued to strive forward with resilience, ensuring we are here to provide care and support to those who need us most.

Over the last year, we've been busy preparing the launch of our service for children and young people. Building a team of skilled and caring professionals to offer care and support to the many children living with a life-limiting condition and their families in Kent and Sussex. 2023 saw the launch of our service and the first families to access the service. Although still in its infancy the Children's Service continues to grow and will help more and more families as we develop what we offer.

Furthermore, I am delighted to have welcomed three new directors to the organisation. Andrew Stott, Operations Director has a background in construction and facilities, helping us to improve our sites and the services our Active Support teams offer. Katie Greywood, Income Generation Director has worked in fundraising for a range of national and international charities for over a decade and has been growing our income streams across fundraising, retail, and other avenues. Sarah Winn, Finance Director joined us in April 2023 just outside of the 2022-23 financial year but has already started making an impact along with producing this annual report.

Our Hospice Outreach Service has also undergone an important redesign. A process involving the wider organisation, all working together to improve the experience for patients and their families as well as our ability to meet more unmet need. The redesign ensures that we are putting the right people around the patient at the right time, reducing unnecessary visits, allowing us to prioritise those who need us most and empowering patients and their loved ones to take a more active role in their care and make the most of the time they have left.

Services haven't been the only part of the hospice undergoing a transformation, our beautiful gardens have been reimagined thanks to the support of our local community and generous donors. A Victorian greenhouse now stands proudly outside our Living Well Centre, to be enjoyed by patients and their loved ones through our therapeutic horticulture both in the greenhouse and surrounding raised beds. The lower gardens have been landscaped, making them more accessible for everyone to reach the serene water feature and its amphibious inhabitants. We are extremely grateful to have such wonderful gardens for everyone to enjoy. Thanks, as always, to our hardworking and dedicated volunteer gardeners.

Retail has built upon the successes from the previous year, performing better than ever thanks to innovative pop-up shops in our local area as well as the return of popular events such as our Love Your Labels Lock-in. I'm also proud that we were shortlisted for a Charity Retail Association award for sustainability. Something else our shops contribute to the wider community, recycling and reusing effectively, so that pre-loved goods get another lease of life.

The new Executive team remain focused on providing outstanding palliative care and support to everyone who needs it, both adults and children. We empower people to celebrate life and make the most of the precious time they have for living. All of this would not be possible without the continued support from our community who visit our shops, give their time to volunteer, make generous donations and share our stories. My sincere thanks to every one of you who support Hospice in the Weald, without you it wouldn't be possible. No one should face a terminal illness alone, your support means no one has to.



Gary Withers
Chairman

CHARITY INFORMATION

Charity registration number	280276
Company number	01499846
Trustees	<p>Dr N Benson</p> <p>Ms S Cockaday</p> <p>Ms J Ford</p> <p>Ms C Freshwater</p> <p>Dr S Grieve</p> <p>Ms S Pinkney</p> <p>Mr T Rolfe</p> <p>Mr E Wesson</p> <p>Mr G Withers</p> <p>Ms L King</p> <p>Ms C Ratnayake</p> <p>Mr A Bogle</p> <p>Dr J Halbert</p> <p>Dr A Long</p> <p>Mr P Stevenson</p>
	Resigned 25 April 2023
	Resigned 6 December 2022
	Appointed 6 December 2022
	Appointed 6 December 2022
	Resigned 1 November 2022
	Resigned 1 November 2022
	Appointed 18 July 2023
	Appointed 18 July 2023
Hospice Leadership Team	
	Mr N Farthing
	Mr P Madden
	Ms A Patel
	Ms S Winn
	Mrs J Thirkettle
	Ms K Greywood
	Mr A Stott
	Chief Executive
	Care Director
	Interim Finance Director 16 August 2022 – 1 April 2023
	Finance Director appointed 1 April 2023
	Clinical Director
	Income Generation Director Appointed 30 August 2022
	Operations Director Appointed 20 February 2023
Patrons	
	Mr Greg Clark MP
	Mr Chris Cowdrey
	Mr Rob Eades
	Mr Tim Edmunds
	Ms Nusrat Ghani MP
	Ms Helen Grant MP
	Mr Charles Hendry
	Mr Tom Tugendhat MP
President	Mr Simon Lee
Vice Presidents (Members)	<p>Mr Peter Bannellick</p> <p>Mrs Sonia Burt</p> <p>Mr Martin Dace</p> <p>Mr Brian Dudley</p> <p>Sir Jeremy Elwes</p> <p>Mr Peter Lewis</p>

CHARITY INFORMATION

Vice Presidents (Non-members)	Mr David Payne Mr Richard Snow
Registered address	Maidstone Road Pembury Kent TN2 4TA
Independent auditors	Saffery 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 2023

TRUSTEES' REPORT

The Trustees submit their annual report and the audited consolidated financial statements of the charitable group for the year ended 31 March 2023. 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 (2022 - £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 2023

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 E Wesson, Ms L King (appointed 6 December 2022), Mr N Farthing, Mr G Withers (ex-officio), Ms A Patel (appointed 16 August 2022), Ms K Greywood (appointed 30 August 2022).

Clinical Governance Committee:), Dr N Benson (Chair), Ms J Ford, Dr S Grieve, Ms S Pinkney, Ms S Cockaday, Ms C Ratanake, Mrs J Thirkettle, Mr P Madden, Mr N Farthing, Mr G Withers (ex-officio).

Children's Services Committee: Ms J Ford (Chair), Dr N Benson, Mr E Wesson, Ms C Ratanake (appointed 6 December 2022), Mr N Farthing, 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

On joining the Board, all new Trustees undergo an induction process and are made aware of the Charity Commission's Charity Trustee Welcome Pack and online training provision. The Trustees organise their own training and development as individuals and collectively, as a Board, and are responsible for completing any mandatory training required by the Charity. The Hospice Leadership team and the Trustees meet once a year for a Development Day, to focus on determining strategy and 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 7. 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.

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 two 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 £438,452 for donor procurement in the year to 31 March 2023 (2022 - £313,097).

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Charitable Activities

Our main focus is to deliver our care to the maximum number of people who need it and we are committed to increasing the number of Hospice palliative care referrals we get each year. We have redesigned our Outreach service this year which has put us in a better position to achieve our aim of increasing referrals year on year however this has resulted in a lower referral number this year than last at 1,496 (2022: 1707). We are confident that this will increase in the coming years in line with our strategic objectives and we have a number of initiatives planned for the coming year to increase referrals.

Key Performance Indicators (KPIs) - Dashboard

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

Strategic Objectives

The reporting period covered year two of our strategic plan and we continued to link our business objective to one or more of the following six Strategic Aims.

- Grow our reach and improve earlier access to Hospice care for people of all ages.
- Plan and provide care in a safe and responsive way that meets the needs of each individual and the communities we serve, working with local system partners to plan care.
- Ensure that our care is safe and effective, having meaningful impact for patients and their loved ones.
- Develop reliable sources of income so that current and future expenditure is sustainable.
- Make best use of resources, maximise capacity and utilisation, and operate cost effectively.
- Build our social and environmental sustainability.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Charitable Activities

Hospice in the Weald has worked hard to be as supportive and accessible as ever with our focus on the empowerment of our patients and their families in decisions around their care. The Hospice received 1,496 referrals (2022 – 1,707) to the Outreach service and the Ward in the year. Our Outreach Service was redesigned during the year to better provide the patient centered care our patients need. This involved reallocating staff, reviewing caseloads and evolving our triage processes, which has ultimately enabled our patients to have more control over their own care by providing patient initiated follow ups. These changes will enable us to reach more of the people who need our service in the future. Our Childrens service was launched in January 2023 and since then has grown rapidly, responding to the number of families who need us. We reached our full 12 month referral target of 8 within 3 months of the service launch, confirmation of the pressing need for this service in our area.

We have rewritten our clinical governance framework, ensuring a greater focus on quality, safety, effectiveness, and feedback from patients and their loved ones about our services.

Our Living Well team has continued to add to our service offering and has been able to deliver a wide range of care for individuals and their loved ones both at Pembury and at our Cottage Hospice location. Our Counselling and Support team has been working alongside all of our services, providing pre and post bereavement support for our patients and their families. Counselling and Support, alongside our communications team, have also led our work around Advance Care Planning for each individual, further enhancing our patient focused approach.

During the year Hospice in the Weald has continued the work started in the previous year to improve its own infrastructure. In line with our responsibilities to the environment and wider society, work to update our Pembury building with the installation of energy efficient boilers was undertaken in the year and we will build on this throughout the coming year with several energy efficiency initiatives planned. The appointment of our Operations Director, Andrew Stott, has enabled us to plan and deliver more infrastructure improvements for the benefit of both our patients and our workforce. To this end, installation of climate control in each of our inpatient rooms and an upgrade to our IT network are planned for the early part of the coming year alongside the development of our new Children's Centre and other initiatives to improve our environmental impact are in the pipeline.

Our Retail operations have gone from strength to strength and in the year we were delighted to open our 30th shop. Fundraising has had a successful year with a full programme of events and appeals and as a result of the strong performance from both we were able to negate the impact of the end of the covid grants .

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Our People – Diversity and Inclusion

Hospice in the Weald spends its revenue principally on the provision of care. Our people are our most important resource and are the majority of our expenditure. The highly skilled Consultants, Doctors, Nurses and other clinical and care staff are where we focus our expenditure.

We were pleased to hold our workforce celebration event in the year for our people and their families. It was an opportunity to thank everyone for their hard work and celebrate the efforts that everyone makes in order to deliver our excellent service to our patients and their loved ones.

We have been concentrating on our workforce development in the year with an increase in in-house and external training and with the launch of a leadership programme for people in the organisation with management responsibilities to help develop their skills in that role. We also recognised that menopause support and understanding was an important addition to our inclusion and diversity training and took steps to include this within our training programme along with developing a menopause policy.

Our volunteers are integral to our organisation. We recruit them, train them and are responsible for them. At 31 March 2023 we had 1009 (2022 – 983) volunteers working across all the Services and Departments in the Hospice and in all of our shops.

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, Chartered 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 privacy information & communication preferences are 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 losses, and including restricted funds, amounted to a surplus of £1,022,166 (2022 £887,238)

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Income Generation

Fundraising

The total income of the Charity and Hospice in the Weald (Trading) Limited for the year of £12.998 million showed an increase of £2m over the previous year. In the year we received funding from the Kent & Medway Integrated Care

Board of £1,196,625, an increase on the previous years figure of £928,260. We also received additional funding in the year of £226,000 for improving palliative care in carehome. This funding from Kent and Medway ICB has been included in core funding.

Voluntary income by way of donations and legacies (Gifts in Will) totaled £6,344,649 compared to £4,587,451 in the previous year.

The Charity's commercial trading arm, Hospice in the Weald (Trading) Ltd, achieved a net profit before tax of £151,378, a £151,000 increase on the previous year.

Retail

The contribution from our retail shops during the year amounted to £2,227,062. This figure includes the £151,378 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.

Operating Expenditure

We are reporting an increase in our total operating expenditure from £7,545,596 to £7,857,094 a 4% increase year on year. The largest part of this increase was for the further development and launch of our Children's Service £200,233 (2022 - £35,093). In the year we allocated the costs of our communications team from fundraising to support costs in recognition of the wider service provided by the team to the Hospice as a whole resulting in an increase in office costs against last year to £472,079 (2022: £233,059) as set out in note 7.

Financial Management

Investments

An unrealised loss on investments of £522,587 is included in the overall result for the year of £1,022,166. In the year to 31 March 2023, the investment portfolio managed by Sarasin & Partners produced a return of -6.1% (after all fees and costs) as compared to the index based benchmark return of -4%, the Asset Risk Consultant (ARC) Charity Peer Group return of -7.7%. Performance should be considered against a background of a period of significant economic turbulence in the UK during the last year.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Reserves

The Board regularly reviews the level of free reserves held by the Charity against that stated in the Reserves Policy. Board have defined free reserves as unrestricted cash and market investments less designated funds. The value of free reserves on this basis was £9m at 31 March 2023, and this equates to ca 9 months of operating costs. The Board are satisfied that this level of free reserves is prudent and desirable.

Trustees have designated the following funds:

- £8.2 million for future development needs
- £0.4 million for the Children's Service fund
- £1.43million for the building maintenance fund
- £0.5 million for the development of our ICT infrastructure

The Charity has no restricted funds at 31 March 2023 and after these designations the Charity's General Funds amount to £9.5 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 funds which are available to meet existing liabilities and contracted obligations and future operating costs.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

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 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 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. We are not able to maintain historic levels of voluntary/community fundraising
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 services and our standing.
5. Damage to our reputation from a non-clinical incident or error which adversely affects the organisation and its standing.

The above 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 should that risk 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.

In recognition of the importance of this area the Board has recruited Trustees accordingly and has approved the creation of a Risk Committee that will have its inaugural meeting early in the coming year.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Future Developments

There are a number of areas of development that will help the Hospice to reach more people and improve access to its care.

We have identified a location for our Children's Centre to provide onsite as well as at home support and we have started the development process for Shepherd's House, a property located next to our Cottage Hospice site. Our aim is to open our Children's Centre there by March 2024.

For adult patients, we are continuing our work on the empowerment of patients by implementing a remote symptom monitoring app in addition to an online Advance Care Planning tool. These will give our patients the help to manage their wellbeing and ensure that we have the right person caring for each patient at the right time, in the right setting.

Building on our Never too Early campaign, launched towards the end of the year, we are developing a forum to encourage people to talk and think about death and dying for launch in the early part of the coming year.

Our fundraising calendar is now fully back to pre-covid levels and we look forward to another year of successful community events. We're planning a Gifts in Wills campaign for late in the coming year to highlight the benefits of leaving a gift to the Hospice.

We have worked hard through the year to improve our approach to data and insights across the organisation and will continue this emphasis throughout the coming year both internally and externally where we are leading on a data project collaboration with other local hospices.

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

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 7th November 2023. The Board of Trustees also specifically approved the Strategic Report on. This is signed on their behalf by:

A handwritten signature in black ink, appearing to read 'G. Withers', with a horizontal line underneath.

Gary Withers - Chairman

Agreed by the Board

Date: 7th November 2023

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted Fund 2023	Restricted Fund 2023	Total 2023	Unrestricted Fund 2022	Restricted Fund 2022	Total 2022
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies		6,344,649	-	6,344,649	4,587,451	-	4,587,451
Investments	4	123,400	-	123,400	187	-	187
Charitable Activities							
Restaurant & Coffee Shop		16,048	-	16,048	10,912	-	10,912
Core funding	2.1	1,524,948	-	1,524,948	1,028,872	-	1,028,872
Other grants	2.2	283,594	-	283,594	519,535	1,123,476	1,643,011
Retail Shop sales		4,568,940	-	4,568,940	3,586,914	-	3,586,914
Other trading activities	3	136,744	-	136,744	190,947	-	190,947
TOTAL INCOME		12,998,322	-	12,998,322	9,924,818	1,123,476	11,048,294
Expenditure on:							
Raising funds	6	3,596,475	-	3,596,475	3,520,350	-	3,520,350
Charitable Activities							
Hospice Services	7	7,857,094	-	7,857,094	6,422,120	1,123,476	7,545,596
TOTAL EXPENDITURE		11,453,570	-	11,453,570	9,942,470	1,123,476	11,065,946
Net (losses) / gains on investment assets	11	(522,587)	-	(522,587)	904,890	-	904,890
Net income and movement in Funds		1,022,166	-	1,022,166	887,238	-	887,238
Reconciliation of Funds							
Total funds brought forward		28,080,367	-	28,080,367	27,193,129	-	27,193,129
TOTAL FUNDS CARRIED FORWARD	17	29,102,533	-	29,102,533	28,080,367	-	28,080,367

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

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2023**

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	10	9,036,016	9,156,665	9,036,016	8,877,196
Investments	11	16,192,608	16,176,516	16,192,608	16,176,516
Shares in subsidiaries	12	-	-	100	100
		25,228,724	25,333,181	25,228,724	25,053,812
Current assets					
Stocks	13	7,291	6,765	-	-
Debtors	14	2,517,884	751,161	2,517,884	1,144,956
Cash at bank and in hand		3,317,369	2,697,113	3,207,377	2,582,098
		5,842,543	3,455,039	5,725,261	3,727,054
Current liabilities					
Creditors: amounts falling due					
within one year	15	(1,968,633)	(707,853)	(2,002,830)	(700,499)
Net current assets		3,873,910	2,747,186	3,722,431	3,026,555
Total assets less current liabilities		29,102,533	28,080,367	28,951,155	28,080,367
Funds					
Unrestricted funds:					
Designated funds: -					
Hospice Fixed Assets	17	9,036,016	8,877,196	9,036,016	8,877,196
Hospice Designated Funds	17	10,522,000	10,196,748	10,522,000	10,196,748
Total designated funds	17	19,558,016	19,073,944	19,558,016	19,073,944
General funds	17	9,544,517	9,006,423	9,393,139	9,006,423
Total unrestricted funds		29,102,533	28,080,367	28,951,155	28,080,367
Restricted funds	17	-	-	-	-
Total funds	17	29,102,533	28,080,367	28,951,155	28,080,367

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 £12,861,578 is included and a surplus result of £870,787 for the year for the charity.

Approved by the Board on 7th November 2023 and authorised for issue on 7th November 2023



Gary Withers - Chairman

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Group 2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	20	1,370,586	500,559
Cash flows from investing activities:			
Dividends, interest and rents from investments		123,400	187
Proceeds from the sale of investments		-	1,000,000
Purchase of property, plant & equipment / investment properties		(335,053)	(768,270)
Purchase of investments		(540,303)	(20,692)
Net cash used in investing activities		(751,956)	211,224
Change in cash and cash equivalents in the reporting period		618,633	711,783
Cash and cash equivalents at the beginning of the reporting period		2,718,657	2,006,874
Cash and cash equivalents at the end of the reporting period		3,337,289	2,718,657

Analysis of Changes in Net Debt

Group	Start of Year	Cash Flows	End of Year
Cash	2,697,113	620,257	3,317,369
Investment cash	21,544	(1,624)	19,920
	2,718,657	618,633	3,337,289

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

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 £9.5m of unrestricted and non-designated funds to draw on as at 31 March 2023 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 16 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 2023

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)
- Shops (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 2023**

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 2023**

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 eleven 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

In the application of the Group's accounting policies, which are described above, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

2. Financial Performance of the charity - Incoming Resources

2.1 Core funding from statutory bodies

	2023	2022
	£	£
West Kent CCG	-	928,260
Kent & Medway ICB	1,422,625	-
East Sussex Downs & Weald CCG	102,323	100,612
	<u>1,524,948</u>	<u>1,028,872</u>

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

2.2 Other grants

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
NHSE COVID	-	-	-	-	1,123,476	1,123,476
WKCCG Pharmacy	141,527	-	141,527	110,549	-	110,549
WKCCG Continuing Care & Fees	124,498	-	124,498	138,543	-	138,543
Workforce Development Fund	1,500	-	1,500	13,798	-	13,798
Kent County Council Social Services	12,270	-	12,270	28,540	-	28,540
Kent, Surrey & Sussex Deanery	3,799	-	3,799	87,214	-	87,214
Coronavirus Job Retention Scheme Grant (Furlough)	-	-	-	5,910	-	5,910
Research Grants	-	-	-	24,718	-	24,718
Shop local council COVID grants	-	-	-	110,263	-	110,263
	283,594	-	283,594	519,535	1,123,476	1,643,011

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

3. Commercial trading operations

	2023	2022
	£	£
Income	575,196	504,044
Cost of sales	(48,353)	(44,928)
Administrative expenses	(375,465)	(458,924)
Total expenditure	(423,818)	(503,852)
Net Profit for the year	151,378	192

All taxable profits of the trading subsidiary will be gifted up to the Charity

Commercial trading operations cont.

Included in income is £438,452 (2022: £313,097) 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

	2023	2022
	£	£
Bank interest	7,146	187
Investment Income - rebate	116,254	-
Dividends	-	-
	<u>123,400</u>	<u>187</u>

5. Total net incoming resources are stated after charging:

	2023	2022
	£	£
Amounts payable to the auditors in respect of: Statutory audit	25,850	21,500
Amounts payable to the auditors in respect of other services (corporation tax compliance)	3,200	2,900
Depreciation	455,702	464,464
Operating lease rentals	462,577	421,077

6. Raising Funds Expenditure

	2023	2022
	£	£
Fundraising costs	835,769	885,157
Retail Shops	2,684,133	2,555,869
Investment Management Fees	76,573	79,324
	<u>3,596,475</u>	<u>3,520,350</u>

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

7. Hospice Services

Direct costs	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Hospice in the Home	1,736,924	-	1,736,924	2,057,862	-	2,057,862
Cottage Hospice	1,069,291	-	1,069,291	854,833	-	854,833
Counselling	348,019	-	348,019	316,429	-	316,429
Hospice Day Services/Living Well	305,821	-	305,821	273,811	-	273,811
In-Patient Ward	2,303,517	-	2,303,517	1,322,575	1,123,476	2,446,051
Children's Service	200,233	-	200,233	35,093	-	35,093
Catering & housekeeping	446,021	-	446,021	425,578	-	425,578
Communications	60,931	-	60,931	50,278	-	50,278
Depreciation	462,054	-	462,054	458,029	-	458,029
	<u>6,932,810</u>	<u>-</u>	<u>6,932,810</u>	<u>5,794,488</u>	<u>1,123,476</u>	<u>6,917,964</u>
Support Costs						
Indirect costs of providing Hospice Services	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Office costs	472,079	-	472,079	233,059	-	233,059
Information technology	106,407	-	106,407	108,480	-	108,480
Accommodation	310,197	-	310,197	236,776	-	236,776
Accountancy and audit	30,500	-	30,500	25,850	-	25,850
Legal Costs	5,101	-	5,101	23,467	-	23,467
	<u>924,284</u>	<u>-</u>	<u>924,284</u>	<u>627,632</u>	<u>-</u>	<u>627,632</u>
Total Hospice Services costs	<u>7,857,094</u>	<u>-</u>	<u>7,857,094</u>	<u>6,422,120</u>	<u>1,123,476</u>	<u>7,545,596</u>

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
2023**

8. Staff costs

	2023	2022
	£	£
Wages and salaries	6,212,324	6,169,719
Social security costs	565,271	531,624
Other pension costs – unrestricted	517,901	514,066
	<u>7,295,496</u>	<u>7,215,409</u>

The average number of persons working for the group (excluding Trustees and volunteers) during the year was as follows:

	2023	2022
Medical & Nursing	123	134
Counselling and Support Services	10	9
Fundraising (including Lottery)	11	16
Facilities, Catering and Housekeeping	18	22
Shops	47	45
Commercial Trading	0	3
Finance and IT	11	7
Management and Administration	12	7
	<u>233</u>	<u>243</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
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£100,001 – £110,000	-	1
£110,001 – £120,000	1	1
£130,001 - £140,000	-	1
	<u>-</u>	<u>1</u>

In respect of higher paid employees benefits were paid into a defined contribution scheme for 5 (2022:1) employees and into a defined benefit scheme for 2 (2022:1) employees. Total contributions to a defined contribution scheme in respect of these employees were £19,710 (2022: £11,733).

Key management personnel remuneration costs for the year amounted to £403,571 (2022: £466,314).

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

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 £517,901 (2022: £514,066).

10. Tangible fixed assets

Group	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2022	13,017,081	232,134	51,050	261,250	13,561,515
Additions	7,796	-	-	327,857	335,053
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2023	<u>13,024,877</u>	<u>232,134</u>	<u>51,050</u>	<u>589,107</u>	<u>13,897,168</u>
Depreciation					
At 1 April 2022	4,041,473	117,815	38,362	207,800	4,405,450
Charge for year	400,897	27,907	3,602	23,296	455,702
Depreciation on disposal	-	-	-	-	-
At 31 March 2023	<u>4,442,370</u>	<u>145,722</u>	<u>41,964</u>	<u>231,096</u>	<u>4,861,152</u>
Net book value					
At 31 March 2023	<u>8,582,507</u>	<u>86,412</u>	<u>9,086</u>	<u>358,011</u>	<u>9,036,016</u>
At 31 March 2022	<u>8,976,208</u>	<u>114,319</u>	<u>12,688</u>	<u>53,450</u>	<u>9,156,665</u>

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

10. Tangible fixed assets cont.

Charity	Freehold	Leasehold	Motor	Equipment	Total
Cost or valuation	Properties	Shop refits	Vehicles		
	£	£	£	£	£
At 1 April 2022	12,731,860	232,134	51,050	252,331	13,267,375
Additions	293,017	-	-	327,857	620,874
Disposals	-	-	-	-	-
At 31 March 2023	<u>13,024,877</u>	<u>232,134</u>	<u>51,050</u>	<u>580,188</u>	<u>13,888,249</u>
Depreciation					
At 1 April 2022	4,035,120	117,815	38,362	198,881	4,390,179
Charge for year	407,250	27,907	3,602	23,296	462,055
Depreciation on disposal	-	-	-	-	-
At 31 March 2023	<u>4,442,370</u>	<u>145,722</u>	<u>41,964</u>	<u>222,177</u>	<u>4,852,234</u>
Net book value					
At 31 March 2023	<u>8,582,507</u>	<u>86,412</u>	<u>9,086</u>	<u>358,010</u>	<u>9,036,016</u>
At 31 March 2022	<u>8,696,739</u>	<u>114,319</u>	<u>12,688</u>	<u>53,450</u>	<u>8,877,196</u>

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

11. Fixed Assets Investments Portfolio

Group and Charity	2023	2022
	£	£
Quoted and listed investments	15,693,608	16,176,516
Fixed Interest Cash Investments	499,000	-
Total Investments	<u>16,192,608</u>	<u>16,176,516</u>
Quoted and listed investments comprise:		
UK managed funds	15,693,608	16,176,516
Movements on quoted and listed investments:		
Market Value at beginning of the year	16,176,516	16,350,950
Additions at cost	41,303	20,692
Disposals at carrying value	-	(1,000,000)
Net gain on revaluation	(522,587)	783,330
Movement on cash balance	(1,624)	21544
Market value at the end of the year	<u>15,693,608</u>	<u>16,176,516</u>
Cost of Quoted and Listed Investments	12,956,285	12,476,602
Cost of Fixed Term Cash Investments	499,000	-
Total Cost as at 31st March 2023	<u>13,455,285</u>	<u>12,476,602</u>

Investments which comprise more than 5% of the total market value of investments at the 31 March 2023 were:

Sarasin Alpha CIF for endowments (accumulated units)	15,693,608
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Shares in subsidiary undertakings

	2023	2022
	£	£
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 £151,478 and liabilities of £nil.

13. Stocks

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Goods for resale	<u>7,291</u>	<u>6,765</u>	<u>-</u>	<u>-</u>

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

14. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Other debtors	124,432	123,440	124,432	123,440
Trade debtors	1,313,581	30,978	1,313,581	30,978
HITW (Trading) Ltd	-	-	-	393,795
Accrued income	801,111	370,380	801,111	370,380
Prepayments and deferred costs	278,760	226,363	278,760	226,363
	2,517,884	751,161	2,517,884	1,144,956

15. Creditors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts due within one year				
Trade creditors	341,705	438,442	341,705	438,442
HITW (Trading) Ltd	-	-	34,197	-
Other Creditors	11,500	17,003	11,500	9,648
Other taxation and social security creditor	128,428	137,533	128,428	137,533
Pension accrual	39,233	11,085	39,233	11,085
Accruals	112,268	47,349	112,268	47,349
Deferred income	1,335,499	56,441	1,335,499	56,441
	1,968,633	707,853	2,002,830	700,499

	2023	2022
	£	£
Deferred Income		
Brought forward	56,441	64,540
Deferred income	1,335,499	56,441
Released	(56,441)	(64,540)
Carried forward	1,335,499	56,441

Deferred income relates to lottery subscriptions paid in advance of the weekly draw and released as the draw takes place and Grant income for 2023/24 invoiced prior to the year end for the year 2023/24.

The advance from Hospice in the Weald (Trading) Limited represents the net of the donor procurement charge to the Charity and the retail costs charge to the Trading company.

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

16. Financial Instruments

Financial Instruments - Group	2023	2022
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	16,192,608	16,176,516
Financial Instruments - Charity		
Carrying amount of financial assets	£	£
Equity instruments measured at fair value through profit loss	16,192,608	16,176,516

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

17. Movement in funds

Group	Balance at 01-Apr 2022 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2023 £
Unrestricted funds					
General fund	9,006,423	12,663,269	(9,490,089)	(2,635,086)	9,544,517
Designated funds					
Hospice Fixed Assets	8,877,196	335,053	(462,054)	285,821	9,036,016
Future Development Needs	8,196,748	-	(1,080,696)	1,083,948	8,200,000
Building Maintenance Fund	1,000,000	-	(276,190)	706,190	1,430,000
Children's Services Fund	500,000	-	(89,770)	(18,230)	392,000
IT Development Fund	500,000	-	(54,770)	54,770	500,000
Total designated funds	19,073,944	335,053	(1,963,480)	2,112,499	19,558,016
Restricted funds	-	-	-	-	-
	28,080,367	12,998,322	(11,453,570)	(522,587)	29,102,533

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

17. Movement in funds cont.

Charity	Balance at 01-Apr 2022 £	Incoming resources £	Resources expended £	Transfers / Other gains £	Balance at 31-Mar 2023 £
Unrestricted funds					
General fund	9,006,423	12,240,704	(9,504,724)	(2,349,265)	9,393,139
Designated funds					
Hospice Fixed Assets	8,877,196	620,874	(462,054)	-	9,036,016
Future Development Needs	8,196,748	-	(1,080,696)	1,083,948	8,200,000
Building Maintenance Fund	1,000,000	-	(276,190)	706,190	1,430,000
Children's Services Fund	500,000	-	(89,770)	(18,230)	392,000
IT Development Fund	500,000	-	(54,770)	54,770	500,000
Total designated funds	19,073,944	620,874	(1,963,480)	1,826,678	19,558,016
Restricted funds	-	-	-	-	-
	28,080,367	12,861,578	(11,468,204)	(522,587)	28,951,154

Designated Funds: The Trustees have designated funds to provide for future development and maintenance of the Hospice buildings; Children's Services development in late 2023; 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 2023**

18. Analysis of group net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Group 2023				
Fixed assets	-	9,036,016	-	9,036,016
Investments	5,670,608	10,522,000	-	16,192,608
Current assets	5,842,543	-	-	5,842,543
Current liabilities	(1,968,633)	-	-	(1,968,633)
	9,544,517	19,558,016	-	29,102,533
Charity 2023				
Tangible fixed assets	-	9,036,016	-	9,036,016
Investments	5,670,608	10,522,000	-	16,192,608
Shares in subsidiary company	100	-	-	100
Current assets	5,725,260	-	-	5,725,261
Current liabilities	(2,002,830)	-	-	(2,002,830)
	9,393,139	19,558,016	-	28,951,154
Group 2022				
Fixed assets & investment properties	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	3,727,054	-	-	3,727,054
Current liabilities	(700,499)	-	-	(700,499)
	9,006,423	19,073,944	-	28,080,367

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

19. Operating leases – All Property

	2023	2022
	£	£
At 31 March 2023 the group and charity were committed to:		
Leases which expire - within one year	597,541	580,974
- within 2 to 5 years	1,590,227	1,365,413
- after 5 years	407,419	513,430
	<u>2,595,187</u>	<u>2,459,817</u>

20. Reconciliation of net income to net cash flow

	Group	
	2023	2022
	£	£
<i>Net income for the reporting period (as per the Statement of financial activities)</i>	1,022,166	887,238
Adjustments for:		
Depreciation charges	455,702	464,464
(Gains) / losses on investments	522,587	(783,330)
Dividends, interest and rents from investments	(123,400)	(187)
(Profit) / loss on the sale/disposal of fixed assets	-	9,036
Decrease / (Increase) in stocks	(526)	6,989
Decrease / (increase) in debtors	(1,766,723)	(193,992)
Increase / (Decrease) in creditors	1,260,780	110,341
	<u>1,370,586</u>	<u>500,559</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 2023 were £25 (2022:£25).

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

22. Related party transactions

A net total of £59,256 (2022: £38,917) of transactions between Hospice in the Weald and Hospice in the Weald (Trading) Limited have been removed upon consolidation. £2,400 (2022: £2,400) is for shared office facilities at the Hospice building £438,452 (2022: £313,097) is the procurement charge in regard to sales made under the gift aid scheme referred to in note 3 and an administration charge of £381,596 (2022: £276,581) from the Charity to the Trading Company. Included within creditors in the Charity balance Sheet is an amount of £34,197 (2022: debtor £396,223) owed to 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 2023 the group had no capital commitments (2022: £nil).

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 2023 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 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

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 16, 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.

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.

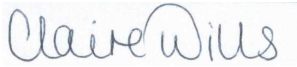
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of 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.

A handwritten signature in blue ink that reads "Claire Wills". The signature is written in a cursive style and is enclosed in a light blue rectangular box.

Claire Wills (Senior Statutory Auditor)

for and on behalf of Saffery LLP

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street

London

EC4V 4BE

Date: 9 November 2023

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