

**Cornwall Hospice Care Limited
(Limited by guarantee)**

**Report of the Members of the Board and
financial statements**

For the year ended 31 March 2025

Company registration number 05660401

Charity registration number 1113140

Cornwall Hospice Care Limited (Limited by Guarantee)

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Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2025 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the 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 1st January 2019).

Highlights of the Year

Patient Care

We continue to be regulated by the Care Quality Commission (CQC). No inspections were made during the financial year, the most recent being St Julia's Hospice in August 2022 and Mount Edgcumbe Hospice in December 2022. Both inspections were incredibly thorough, with positive feedback from the CQC received and we were delighted with the CQC's ratings, with St Julia's being rated as Good and Mount Edgcumbe being rated as Outstanding.

During the year admission numbers decreased as have the number of patients discharged, which links to the small reduction in occupied bed days. The complexity of conditions with patients also plays a major part in this figure, with their needs impacting upon their length of stay. We also suffered a number of staffing issues in terms of sickness and absence over the winter, which also impacted our ability to run at full capacity.

We have continued to provide 20 beds, ten at each of our hospice in-patient units, while also maintaining our important lymphoedema clinics, our range of community services and our education programmes for healthcare workers and care providers across Cornwall.

Our lymphoedema service remarkably held the exact same number of appointments compared to last year, highlighting its consistent and important need and our community services have continued to grow with a substantial and positive increase in our Listening Ear service. The Redruth Hub which we opened in March 2023, located in our Bargain Outlet, offers outpatient therapy appointments, living well workshops and activities aimed at encouraging patients to plan for their future. This continues to be well received with a positive increase in the number of patients seen.

Patient Care	2023/24	2024/25
Number of patients admitted	387	357
Number of patients discharged	134	129
Occupied bed days	5,165	4,995
Listening Ear - support calls	563	840
Lymphoedema appointments	1,727	1,727
Advice Line calls	1,221	1,111
Hub patients seen	169	187

Patient Satisfaction

Feedback, good and bad, is vitally important for us as it allows us to make improvements where they may be needed. In the last year we received 1 complaint, a reduction of 4 compared to the previous year. 2 concerns were also raised. All parties involved have been communicated with, investigations undertaken when required and learning implemented into practice, where needed.

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Section 1: Strategic Report (continued)

Compliments

During 2024/25 we received 100 thank you cards and 168 responses to our friends and family feedback. Comments left by patients and families are anonymised and reported to the Clinical Governance Committee and summaries are also made available for staff to read.

During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

Finance

Our financial performance in the year was extremely positive, much more so than expected. An overall surplus result of just over £353k was recorded which surpasses the initial surplus budget for the year of £161k.

A surplus of £466k was generated from our operations, which has then been decreased by losses on investments during the year, meaning an overall surplus result of just under £354k is reported. Our reserves remain in a strong position, following the previous three financial years, which saw good performance, and exceptional legacy receipts. They now stand at £11.9m.

Our total income was £13.4m, representing a rise of 14% over the prior year, and a 4% excess versus budget. Donation income is the main contributor to the increase in the current year, due to a much appreciated, one off major donation in excess of £1m. Legacy income although generally in line with 2023/24 levels, did experience a shortfall to budget of £0.8m. Delays remain within our portfolio, which appears common across the sector, ranging from contentious estates to just complex property sales involved within them. Any delayed receipts though, now form part of the 2025/26 budgeted income.

The key areas of income growth during 2024/25 remain within Retail and Lottery, increasing by 3% and 13% respectively. Fundraising fell by 1% which in a really tough environment is encouraging.

Expenditure has continued to be carefully managed during the year and finished in line with budget. However, inflationary pressures in staff costs, fuel and general supplies have meant a 11% increase in overall expenditure compared to the prior year and will only increase further in the coming year, particularly due to the changes to Employer National Insurance contributions.

Fundraising & lottery

Fundraising performance was positive with growth in terms of income versus the prior year, falling short of its budgeted contribution by 1%. Lottery missed its budgeted contribution by £19k, although this in turn was due to expense incurred at the end of the year in relation to an updated pricing and prize structure, implemented early in the new financial year. In terms of income alone, this grew, as per previous years, demonstrating the benefit of our sustained canvassing.

The strongest income stream within the Lottery team, remained weekly draw tickets, which achieved income of £858k. Although this was £15k behind budget, it represents growth of 11% on the prior year. Bumper draw ticket sales again saw an upturn, finishing £2k ahead of budget and growth of 12% compared to 2023/24.

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Section 1: Strategic Report (continued)

Continuing from 2023/24, the strongest fundraising income stream was in the Community. £319k was received, beating budget by £65k, a really positive result. Donations saw a significant increase on the prior year of 56%, achieving income of £283k. This income stream includes one off, regular and major donations. This figure though excludes the significant, one-off donation in excess of £1m as it would distort comparative performance. In memory donations saw a minor decrease of £10k or 4% compared to the prior year, achieving income of £230k.

Trust and grants income raised £255k. During the year we were fortunate to receive capital grants of £161k from Hospice UK on behalf of the Department for Health and Social Care in relation to capital improvements and £94k from the Local Authority in respect of solar and insulation installations at both of our clinical sites, which were completed in the Autumn of 2024.

Lastly, gifts in Wills contributed £2.4m to our care in the year.

To everyone who has supported us, thank you. Without you, we would not be able to provide peace, comfort and calm when someone is nearing the end of their life.

Retail

Our network of shops, again, has enjoyed a very successful year delivering a contribution to the cost of care of over £1.6m. Our donation centre model which we introduced in 2021 continues and remains as successful as ever. More than 1,000 cars per week visited the centres during the year and over 1.1million items of donated stock were sold. The number of shops operated remained constant during the year with thirty in operation, maintaining our presence in all major towns of the county.

Sustainability remains as one of our key ambitions and by continuing to work closely with our recycling partners we have sought to reduce our environmental impact, working hard to ensure the maximum number of the goods donated to us are found a useful purpose and are kept away from landfill. The quality of donations received remains a challenge, with 40% being saleable (2023/24 40%). This has led to an increased recycled output, and adjusting our messaging to the public, highlighting the importance of good quality donations.

Around 70 employees work in the retail business, and these have ably been supported by close to 1,100 volunteers during the year. The volunteer team have become ever more critical to the success that the division has enjoyed in recent times, and the charity remains very grateful for their contributions.

In October 2024, we hosted a remarkable fashion show dedicated to celebrating second hand fashion at Truro Cathedral. This inspiring event showcased models who were our very own staff and volunteers, highlighting a vibrant sense of team spirit and community. The fashion lines displayed a creative fusion of high-end style with affordability and looked at transforming old items into new, stylish pieces. This event not only promoted sustainable fashion but also underscored the importance of collaboration and creativity in redefining modern fashion trends.

Our People

The average number of staff employed across the organisation has decreased slightly from 274 to 270 full and part time permanent employees during the year. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has grown significantly over the past few years and currently stands at over to 1,300.

The over-arching aim of our people strategy remains to be an 'Employer of Choice' for Cornwall with this being delivered by;

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Section 1: Strategic Report (continued)

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care. We continue to be a Real Living Wage employer with all employees receiving a basic hourly rate of pay of at least £12.60 from the beginning of 2024/25.

Gender Pay

The key measures from our gender pay report are set out below:

- A Mean gender pay gap of (plus) – 6.7%
- A Median gender pay gap of 0%

Our Purpose and Values

These were developed with input from trustees, staff and volunteers during 2022/23 to form our new strategy for the period 2023-28. These were launched during April 2023 and have been well received across the Charity. The strategy is now at the end of its second year and is monitored by the trustees and Executive team. Progress reports are submitted for Board review as part of this process to demonstrate what has been achieved or is being worked towards.

Purpose

Our Purpose is to provide compassionate, specialised end of life care for patients, their families and carers whilst guaranteeing our high quality standards. Together with our local community in Cornwall we will continue to make every day matter.

Values

We'll work together to achieve our purpose by following our values, which are:

- **Compassion** – the quality of being gentle, kind, caring and helpful.
- **Integrity** – being honest and having strong moral principles.
- **Togetherness** – valuing everyone who works or volunteers for our charity or uses our services, giving us all the information tools, independence and freedom to achieve.

Structure, governance and management

Status

The charity was incorporated on 21 December 2005, the company registration number is 05660401 and it is also a registered charity, registration number 1113140.

Governing document

The charity's governing document is its Memorandum and Articles of Association.

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Section 1: Strategic Report (continued)

Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 15 members and there are five sub-committees.

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings were all held quarterly. All trustees have continued to be invited to attend all Committee meetings. Actual attendance levels have remained high for all Committees.

Members of the Board

The following were members of the Board during the year and since year end:

Mr D W Renwick (Chair)	Dr S Gupta - Resigned 21 May 2024
Mrs S M Godzicz	Dr S Hawkins - Resigned 20 March 2025
Dr C J Philip	Mr A C Naylor
Mr G Piercy	Mrs D M R Roberts
Mrs S M Bamford	Mrs L J Stubberfield
Mr A Bassett - Appointed 20 March 2025	Mr D Thomas
Mrs L A Clarke	Mr A J Whyte
Mr M J Davis	

Mr Renwick, Mrs Godzicz and Mr Piercy also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

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Section 1: Strategic Report (continued)

Board Committees

There are five sub- committees of the Board. Membership of these Committees during the year is set out below:

Clinical Services Committee	Finance Committee	Income Generation Committee	Governance Committee	Remuneration Committee
Dr C J Philip (Chair)	Mrs S M Godzicz (Chair)	Mr G Piercey (Chair)	Mr D W Renwick (Chair)	Mr D W Renwick
Mr M J Davis	Mr A Bassett	Mrs L Clarke	Mrs S M Godzicz	Mrs S M Godzicz
Dr S Gupta	Mrs S M Bamford	Mr D Thomas	Dr S Hawkins	Dr C J Philip
Dr S Hawkins	Mr A C Naylor	Mr D W Renwick	Dr C J Philip	Mr G Piercey
Mr D W Renwick	Mr D W Renwick		Mr G Piercey	
Mrs D M R Roberts	Mr A J Whyte		Mrs L J Stubberfield	
Mrs L J Stubberfield				

The table represents core membership only, but trustees are encouraged to attend any committee meeting should they so wish.

Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

Executive Officers

Chief Executive: Paul Brinsley

Director of Clinical Services: Sarah Machin

Director of Finance and Resource & Company Secretary: Will Hood

Director of Income Generation: Frazer Hopkins

Principal address and registered office

Mount Edgumbe Hospice,
Porthpean Road
St Austell
Cornwall
PL26 6AB
www.cornwallhospicecare.co.uk

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Section 1: Strategic Report (continued)

Advisers

Solicitors: **Michelmores LLP**
Woodwater House
Pynes Hill
Exeter, EX2 5WR

Auditors: **RRL LLP**
Peat House
Newham Road
Truro, TR1 2DP

Investments: **LGT**
14 Cornhill, London
EC3V 3NR

Bankers: **Barclays Bank PLC**
14 King Street
Truro, TR1 2RB

RBC Brewin Dolphin
Vantage Point
Woodwater Park
Pynes Hill
Exeter, EX2 5FD

Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Details of transactions with those parties are included in note 14 of the financial statements.

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Section 1: Strategic Report (continued)

Report of the Chair

Over the past year, we have continued to make every day matter, in what has been a period of significant growth and unwavering dedication. Our commitment to providing free and compassionate care to the people of Cornwall, when they need it most has remained steadfast, and continues to be at the heart of everything we do.

Our twenty beds have remained open throughout the year, and our services operated effectively throughout. I would like to thank all our staff and volunteers for their excellent work and commitment which have allowed us to deliver some fantastic results both clinically and financially.

We have maintained our excellent lymphoedema clinics, which remarkably held the exact same number of appointments as the previous year, our outstanding range of community services continue to reach significant numbers, plus our first-class education programmes have been ever popular.

Growth has been represented across many areas of the Charity from increasing volunteer numbers to rising financial returns within key income streams. Financial growth this year has been boosted by the fantastic receipt of a one-off major donation, as well as record beating results across our Retail and Lottery teams. The growth achieved over the past few years has allowed us to build a strong position in terms of our financial resilience, which has now allowed the Board to commit fully to our Fit for the Future Project.

Work began during the year with the award of a Net Zero grant from our local authority, which enabled the installation of a new photovoltaic (PV) system at Mount Edgcumbe Hospice, as well as an extension of the existing system at St Julia's Hospice. The grant also funded full roof insulation upgrades at both sites, with all works completed in Autumn 2024. After much planning, the next phase of development began in May 2025: a £1.3m capital project at Mount Edgcumbe Hospice. This ambitious initiative includes the creation of a brand-new therapies' hub, the transformation of our two four-bedded wards into private, single en-suite rooms, and the development of a new, dedicated crisis intervention suite. This new suite will provide emergency care for individuals in acute need, offering up to 48 hours of support to manage symptoms before patients either return home, are admitted to our care, or are transferred to an appropriate onward facility. Project completion is expected in March 2026, and we are all eager to see the lasting impact these improvements will have for those we serve.

During the year, we made one new appointment to the Board, welcoming Anthony Basset in March 2025. Anthony has since joined the Finance Committee and brings with him valuable expertise. Two members of the Clinical Services Committee stepped down from the Board in May 2024 and March 2025, respectively. I would like to extend my sincere thanks to both for their contributions to the charity during their time with us. I am also pleased to report that, following the year end, we appointed Nikki Thomas to the Board in May 2025. Nikki will serve as a member of the Clinical Services Committee, and we look forward to the insight and experience she brings.

Finally, as always, I would like to thank my fellow trustees for their dedication, contributions, and enthusiasm over the past year. I look forward to this continuing in the year ahead, which will be my last as Chair with my commitment ending in November. As I reflect on the past nine years on the Board, I am filled with a deep sense of pride and gratitude. It has been a privilege to serve during a period of significant growth, challenge, and transformation. Together, we have navigated change, strengthened our governance, and remained committed to our purpose and core values. I have been continually inspired by the dedication of my fellow trustees, the hard work of our staff and volunteers, and the support of our wider community. While there have been challenges along the way, the collective achievements of the charity over this time stand as a testament to what we can accomplish through collaboration and togetherness.

David Renwick, Chair of Trustees

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Section 1: Strategic Report (continued)

Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgcumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our lymphoedema service supporting patients
- Our community services providing outpatient services to patients and bereavement support to patients, carers and families.

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

Public benefit

The members of the Board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the members of the Board consider how planned activities will contribute to the aims and objectives set.

Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has again been a very positive one during which we have been able to maintain bed numbers across the two hospices at 20 as well as begin our exciting Fit for the Future project. The commencement of which underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us.

The development through our Community Services team of Neighbourhood Hub support clinics has shown positive growth this year as well as our Listening Ear service. We plan to increase our awareness of the charity over the coming year, demonstrating our purpose and the vast array of services we offer, in order to maximise the number of people who can benefit and be reassured that we are there to support them, in their time of need.

I am constantly humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standards. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration and without their kindness we could not sustain our services that ensure our community are provided with essential end of life care.

Paul Brinsley, Chief Executive

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Section 1: Strategic Report (continued)

Our Ambitions 2023-2028

Our agreed ambitions for the period to up to March 2025 are set out below.

Our Ambitions

1. Work in partnership to grow our charity for the future, ensuring close working relationships across all our departments, we will also continue to work collaboratively with our external partners.
2. Develop our learning and education to ensure all our staff and volunteers and where relevant, those from our external partners have the knowledge, skills and competencies to fulfil their roles.
3. Raise sufficient funds to protect and grow our hospice services through a range of income generation activities.
4. Work towards lowering our environmental impact by implementing, where possible, sustainable systems and processes in all areas of the charity's operations.
5. Be innovative in our own individual areas, teams and across the charity to deliver continuous improvement in all we do.

Progress made during 2024/25

1. Work in partnership to develop community services to meet identified needs

There is now a nurse led multi-disciplinary approach admission process in place across both of our Hospice sites.

During the year, our hospices have continued to strengthen partnerships with colleagues across the NHS, independent, and voluntary sectors. These collaborative efforts are central to delivering a seamless, integrated service that places patients and their families at the heart of care. This area of work remains a strategic priority, and we are committed to improving our own input towards this and look to maximise any collaboration opportunities in order to assist ongoing improvement across the whole system of palliative and end of life care.

Our Community Services Team has also seen significant development over the past year. We have expanded our services and extended our geographical reach. In particular, we have increased the provision of practical support, with a strong focus on meeting the needs of patients under our care and providing specialist bereavement support to their families

2. Develop our learning and education

The Education department has been providing face to face clinical skills training to help staff gain competency in areas that are not used frequently on the ward. They have also continued to deliver external training to other healthcare staff to ensure care settings have palliative training as an option. We also began to implement Resilient Based Clinical Supervision to support staff, with training being delivered in two phases. The first in relation to clinical staff and the second to non-clinical, patient and family/carer staff, including reception volunteers, catering, facilities, fundraising and marketing.

Over the past year internal development has broadened the education offer, resulting in a 90% increase in attendee numbers of internal face to face sessions, with a total of 1,345 attendees recorded. New sessions were launched during the year including "Knowing What to Say" for retail staff as well as Clinical Skills workshops for both Healthcare Assistants and Healthcare Professionals.

3. Ensure the charity is fit for the future

We successfully installed a new photovoltaic system at Mount Edgcumbe Hospice as well as an addition to the existing system at St Julia's Hospice as well as full roof insulation projects at both sites. This was following the receipt of a grant from the Local Authority covering 50% of the project

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Section 1: Strategic Report (continued)

costs and will allow us to generate and utilise our own energy, reducing our reliance on the National Grid, plus assist with our sustainability ambition in terms of reducing our carbon footprint.

During the year, plans also progressed further regarding works at Mount Edgcumbe Hospice to help meet the future needs of our patients. A full tender exercise to identify the principal contractor was completed in March 2025, with final agreement to proceed with the project from the Board, given in April 2025.

Priorities for 2025/26

1. Continue to future proof our Hospice buildings and systems

- We will improve privacy and dignity at our Mount Edgcumbe Hospice, with a project which commenced in May 2025, around the modernisation of our bed bays, transforming them into single patient bedrooms, allowing us to deliver more dedicated, specialist palliative nursing care to more people in our community. The project also includes a brand-new crisis intervention suite which will provide emergency palliative care for our Cornish community. In addition, there will also be a new patient entrance and clinical therapies hub, which will bring all of our support services together.



- We will continue to progress the work with digitalisation of systems that work collaboratively with our local health services, including the implementation of an automated patient record system.

2. Ensuring continuation of a collaborative approach to enhance system wide knowledge and reach around end of life care.

- As well as maintaining our inpatient beds, we will continue to work with our NHS, independent and charity sector colleagues with the view to developing a system wide, seamless service, that centres around the patient and their family.
- We will continue with our vision to provide end of life education across the county, helping to ensure that staff at all levels, and in multiple settings are well equipped with the communication and listening skills required.

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Section 1: Strategic Report (continued)

Risk Management and Internal Control

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping key internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed at each meeting by the Board.

The key strategic risks monitored during the year included a failure in our care and the risks to funding caused by staff and volunteer shortages across our income generation activities. The Board has set a risk framework and categorises risks by impact and likelihood and the necessary level of management or mitigation. The Board has also reviewed and agreed our risk appetite.

Going concern basis of accounting and long-term viability

The Directors carried out a review of the company's operating budget and cash flow projection for the coming year 2025/26 along with its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

The Directors also monitor closely future expectation for legacy income, which continues to be supported by a strong pipeline. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the Executive Team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

An overall surplus result of £353k was recorded in the period compared to a budgeted surplus of £161k and also represents an increase of £65k compared to the previous years result.

Our income generation teams have had a solid year, with Retail and Lottery in particular performing above expectations and exceeding budget.

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Section 1: Strategic Report (continued)

The financial performance is summarised in the table below:

Financial Summary £'000	2023/24	2024/25
Total Income	11,777.1	13,443.1
Total Expenditure	11,690.8	12,977.2
Operating Result	86.3	465.9
Gain/(Loss) on Investments & Property	200.2	(112.4)
Gain/(Loss) on Disposal of Fixed Assets	1.7	-
Surplus/(Deficit)	288.2	353.5

Income

The table below sets out a summary of income as recorded in our management accounts for the year and included in the notes to the financial statements.

The total income earned in the year stood at £13.4m which was £0.6m (4%) above budget and £2m (14%) above the prior year. This is primarily because of a one-off major donation which we were very fortunate to receive during the year. Legacy income was relatively consistent with the prior year, with our pipeline remaining strong for the years ahead. Record levels of income from Retail and Lottery were also achieved, being testament to our offering and the efforts of the teams involved within each.

Fundraising income exceeded budget for the year, as well as showing growth on the prior year of £52k or 8% and we also saw pleasing growth within investment and other income.

Income Summary £'000	2023/24	2024/25
Legacies	2,761.8	2,437.2
Donations	422.0	1,853.9
Grants	49.7	211.1
Fundraising	738.2	734.0
Gross Income from Retail	5,366.1	5,514.1
Gross Income from Lottery	852.4	958.9
Income from Clinical Contracts	1,158.1	1,158.0
Investment Income	231.6	256.5
Other	197.2	319.4
Total Income	11,777.1	13,443.1

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Section 1: Strategic Report (continued)

Expenditure

Total expenditure for the year was £13.0m, which was in line with budget but representing growth of £1.3m (11%) compared to last year. The growth in expenditure was expected as a result of inflationary pressures, particularly on staff and general operating costs.

The table below sets out the summary of expenditure incurred.

Expenditure Summary £'000	2023/24	2024/25
Retail	3,698.9	3,898.2
Lottery	379.4	448.0
Cost of Raising Funds	596.1	668.7
Provision of Care	6,875.3	7,814.4
Support Costs	141.1	147.9
Total Expenditure	11,690.8	12,977.2

Gain on investments

The value of the hospice listed investment portfolio decreased by £112k, during the year which was disappointing given the position last year was a healthy gain of £200k. Markets particularly experienced volatility during the final quarter of the financial year but our agreed risk profile mitigated that effect as well as possible and we remained steadfast in our approach to think longer term. Positively, growth has since returned in the new financial year to date.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report

Reserves policy

The Board through the Finance Committee review the reserves policy bi-annually. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision continues to bring uncertainty, but this was mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate, the increasing cost of living and ever-growing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

Financial Resilience

Total free reserves of £6.6m were held by the charity at 31st March 2025. This comprises a general reserve equating to 6 months running costs, which the Trustees believe it is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

It is also worth identifying here that Note 29 details legal operating lease commitments within 5 years of £3.2m (2024: £3.4m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short- and medium-term expenditure, which it recognises may not be covered by a guaranteed income stream.

Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way.

The majority of the work is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

Executive Remuneration

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, the Director of Clinical Services, the Director of Finance and Resources and the Director of Income Generation. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Investment policy and objectives

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by LGT and Brewin Dolphin.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year exceeded the Board's stated minimum requirement.

The charity also owns three properties, other than the hospice buildings. Two of these are used for our own retail operation. The other is rented to a third party to produce an income stream and we also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements. During the year we have continued to utilise the Insignis treasury management facility.

Employment of Disabled Persons

Cornwall Hospice Care is committed to providing equal opportunities for all employees, including those with disabilities. We recognise the value of a diverse workforce and actively seek to create an inclusive environment where individuals can thrive and contribute to the success of the charity. Disabled persons are given equal consideration in recruitment, training and career development with reasonable adjustments made to accommodate their needs to ensure roles can be performed effectively. Where existing employees become disabled during their employment, we are dedicated to supporting their continued employment through workplace adaptations, retraining and other necessary adjustments.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

All employees including those with disabilities have equal access to career opportunities and are treated with dignity and respect.

Our policies and practices are regularly reviewed to promote inclusivity and remove any barriers to equal participation in the workplace.

Employee Engagement

We believe that our employees are one of our most valuable assets and are committed to fostering a culture of engagement, collaboration and mutual respect, where every person feels valued and empowered.

We aim to maintain an open and transparent work environment where employees are encouraged to share ideas, feedback and concerns. This can be done via many channels including consultations, workshops and working groups as well as via our Freedom to Speak Up Guardians.

Investing in the development and well-being of our employees is a key priority and is addressed by encouraging professional growth opportunities, both internally and externally through learning and development as well as the provision of an employee assistance programme and flexible working opportunities.

Our impact on the environment

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- We successfully secured local grant funding for insulation and solar projects at both hospice sites. The projects were completed in Autumn 2024, and we are now beginning to see the benefits including, improved energy efficiency across both sites, reduced utility costs and a smaller carbon footprint.
- In October 2024, we hosted a remarkable fashion show dedicated to celebrating second hand fashion at Truro Cathedral. This inspiring event showcased models who were our very own staff and volunteers, highlighting a vibrant sense of team spirit and community. The fashion lines displayed a creative fusion of high-end style with affordability and looked at transforming old items into new, stylish pieces.
- Continued with only providing reused bags or our own paper bags throughout our retail network and not shrink wrapping furniture prior to delivery
- We have continued to promote the of awareness strategies across the organisation which are aimed at reducing power wastage.

Tax status

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

Accounting and reporting responsibilities of the Board

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 2: Directors Report (continued)

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019 (FRS 102)
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

DW Renwick
Director

Porthpean Road
St Austell
Cornwall

6 November 2025

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

Opinion

We have audited the financial statements of Cornwall Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 of which comprise of the group statement of financial activities, group and company balance sheet, group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, 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 directors 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'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.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the trustees' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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' report incorporating the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

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

- adequate and sufficient 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 trustees' responsibilities statement set out on page 19, 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 financial statements that are free from material misstatement, whether due to fraud or error.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

In preparing the financial statements, the trustees are responsible for assessing the group's and 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 auditor under the Companies Act 2006 and report in accordance with this Act. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to safeguarding, health and safety and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Cornwall Hospice Care Limited (Limited by Guarantee)

Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)

Our audit approach also considered the opportunities and incentives that may exist within the charitable company for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Undertaking transactional testing on legacy income which specifically considers whether recognition is in line with the requirements of the accounting standards
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Josh Stevens ACA
Senior Statutory Auditor
For and on behalf of RRL LLP
Statutory Auditors

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

27 November 2025

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated statement of financial activities

For the year ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income					
Voluntary	4	3,213,520	1,288,616	4,502,136	3,183,818
Income from Charitable Activities	5	1,158,027	-	1,158,027	1,158,109
Income from Other Trading Activities:					
Commercial trading operations	6	6,473,060	-	6,473,060	6,218,469
Fundraising	6	733,987	-	733,987	787,922
Other income	6	319,428	-	319,428	197,202
Investment income	7	256,460	-	256,460	231,564
Total Income		12,154,482	1,288,616	13,443,098	11,777,084
Expenditure					
Expenditure on raising funds					
Commercial trading activities		4,339,838	-	4,339,838	4,078,326
Costs of generating donations and legacies		645,704	-	645,704	567,070
Investment portfolio fees		29,755	-	29,755	29,032
Expenditure on charitable activities					
Provision of care		6,901,127	912,803	7,813,930	6,875,269
Support costs		147,925	-	147,925	141,059
Total Expenditure	8	12,064,349	912,803	12,977,152	11,690,756
Net (losses)/gains on investments		(112,447)	-	(112,447)	200,159
Net (expenditure) /income		(22,314)	375,813	353,499	286,487
Other recognised gains and losses					
Gain on disposal of fixed assets		-	-	-	1,667
Net movement in funds		(22,314)	375,813	353,499	288,154
Reconciliation of funds:					
Fund balances brought forward		10,854,987	716,391	11,571,378	11,283,224
Fund balances carried forward	26,27,28	10,832,673	1,092,204	11,924,877	11,571,378

Cornwall Hospice Care Limited (Limited by Guarantee)

Balance sheet

As at 31 March 2025

	Notes	The Company 2025 £	The Group 2025 £	The Company 2024 £	The Group 2024 £
Fixed assets					
Tangible assets	17,18	3,898,928	3,898,928	4,017,817	4,022,217
Investments	19	5,392,602	5,392,597	4,874,211	4,874,206
		<u>9,291,530</u>	<u>9,291,525</u>	<u>8,892,028</u>	<u>8,896,423</u>
Current assets					
Stock	20	12,370	71,915	12,370	78,356
Debtors	21	1,246,057	1,119,255	1,375,697	1,381,416
Cash at bank and in hand		2,144,562	2,405,638	2,107,289	2,208,473
		<u>3,402,989</u>	<u>3,596,808</u>	<u>3,495,356</u>	<u>3,668,245</u>
Creditors: amounts falling due within one year	22	(1,257,466)	(914,456)	(1,358,472)	(993,290)
Net current assets		<u>2,145,523</u>	<u>2,682,352</u>	<u>2,136,884</u>	<u>2,674,955</u>
Provision for liabilities	25	(49,000)	(49,000)	-	-
Total net assets		<u>11,388,053</u>	<u>11,924,877</u>	<u>11,028,912</u>	<u>11,571,378</u>
The funds of the charity					
Restricted funds	26	1,092,204	1,092,204	716,391	716,391
Unrestricted funds	27	10,295,849	10,832,673	10,312,521	10,854,987
Total funds		<u>11,388,053</u>	<u>11,924,877</u>	<u>11,028,912</u>	<u>11,571,378</u>

These financial statements were approved by the Members of the Board on 6 November 2025 and were signed on its behalf by:

DW Renwick
Director

Company registration no.: 05660401

Cornwall Hospice Care Limited (Limited by Guarantee)

Consolidated cash flow statement

For the year ended 31 March 2025

	Note	2025 £	2024 £
Cash (used in) / provided by operating Activities	33	953,804	(783,990)
Cash flows from investing activities			
Interest income		140,550	118,212
Dividends income		90,110	88,602
Rental income from investment property		25,800	24,750
		256,460	231,564
Purchase of tangible fixed assets		(382,260)	(156,244)
Purchase of investments		(1,894,170)	(3,406,996)
Receipts from sale of tangible assets		-	1,667
Receipts from sale of investments		1,263,332	3,346,227
Net cash (outflows) from investing activities		(1,013,099)	(215,346)
(Decrease) / increase in cash equivalents		197,165	(767,772)
Cash and cash equivalents at 1 April 2024		2,208,473	2,976,245
Cash and cash equivalents at 31 March 2025		2,405,638	2,208,473

All of the cash flows are derived from continuing operations during the above two periods.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 13 members at 31 March 2025 (2024: 13). The registered office is recorded in the Trustees' report.

2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery 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 section 408 of the Companies Act 2006.

3 Accounting policies

3.1 Accounting convention

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

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

The financial statements are prepared in sterling, which is the functional currency of the company, monetary amounts in these financial statements are rounded to the nearest £.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of the group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 "Statement of Cash Flows: Presentation of a statement of cashflow and related notes and disclosures.

3.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis.

3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.4 **Fixed asset investments**

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

3.5 **Finance leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Vehicles are leased, with a lease term of one to five years. Leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased assets are available for use. The right-of-use asset is included within Motor vehicles in the Tangible fixed assets note. The right-of-use assets are measured at cost comprising the following the amount of the initial measurement of the lease and any lease payments made at or before the commencement date less any lease incentive received.

The lease payments are discounted using the interest rate implicit in the lease. The right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

3.6 **Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

3.7 **Stocks**

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical

3.8 **Income**

Income including grant income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of legacy income, in whole or in part, is only made when probate has been granted, the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

3.9 **Expenditure**

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

3.10 *Investment properties*

In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

3.11 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

3.12 *Termination payments*

Termination payments are recognised as an expense when the company is demonstrably committed to terminating the employment of affected employees.

3.13 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes.

Designated funds are unrestricted funds earmarked by the Board for particular purposes.

3.14 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

3.15 *Judgements and key sources of estimation uncertainty*

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3.16 *Employee benefits*

The costs of short-term employee benefits are recognised as a liability and an expense.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

4 Voluntary

	Unrestricted funds £	Restricted funds £	Total 2025 £	2024 £
Legacies	1,975,026	462,169	2,437,195	2,761,802
Donations	1,238,494	570,963	1,809,457	422,016
Grants	-	255,484	255,484	-
	<u>3,213,520</u>	<u>1,288,616</u>	<u>4,502,136</u>	<u>3,183,818</u>

Included in the above grants are the following government grants:

Department of Health and Social Care – grants have been received during the year totalling £161,546 (2024: £nil) for capital improvements.

Cornwall Council – grants have been received during the year totalling £93,938 (£nil) for solar and insulation projects.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

5 Income from charitable activities

	2025 £	2024 £
Health authority contract	<u>1,158,027</u>	<u>1,158,109</u>

6 Income from other trading activities

Commercial operations

	2025 £	2024 £
Gross Income from shops	5,514,194	5,366,080
Gross Income from Lottery	958,866	852,389
	<u>6,473,060</u>	<u>6,218,469</u>

Fundraising

	2025 £	2024 £
Fundraising activities	733,987	738,261
	<u>733,987</u>	<u>787,922</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Other income

	2025	2024
	£	£
Clinical income - education	181,080	149,165
Clinical income - meals	32,986	27,091
Clinical income - other	105,362	20,946
	<hr/>	<hr/>
	319,428	197,202
	<hr/>	<hr/>

7 Investment income

	Group 2025	Group 2024
	£	£
Property	25,800	24,750
Bank interest	90,110	118,212
Listed investments	140,550	88,602
	<hr/>	<hr/>
	256,460	231,564
	<hr/>	<hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

8 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2025 Total £	2024 Total £
Staff costs	6,487,372	405,779	2,120,023	39,566	9,052,740	8,213,529
Patient care	51,118	-	-	-	51,118	61,304
Medical supplies & drugs	69,748	-	-	-	69,748	78,979
Catering & domestic supplies	72,591	-	-	-	72,591	73,829
Travel expenses	25,849	-	-	-	25,849	22,791
Training & education	38,721	-	-	-	38,721	35,031
Laundry	19,896	-	-	-	19,896	19,633
Electricity & Gas	101,715	-	-	-	101,715	118,222
Telephone	60,814	-	-	-	60,814	54,330
Rates and water	21,867	-	-	-	21,867	15,012
Uniforms	3,754	-	-	-	3,754	5,853
Printing, Postage and stationery	52,890	-	15,715	-	68,605	56,965
Insurance	51,605	-	-	-	51,605	46,480
Repairs and maintenance	188,046	-	-	-	188,046	150,829
Depreciation	197,896	-	77,653	-	275,549	278,937
Impairment	230,000	-	-	-	230,000	230,000
Direct fundraising costs	-	79,337	-	-	79,337	122,176
Department fundraising costs	-	71,025	-	-	71,025	73,698
Banking charges	-	37,087	35,526	-	72,613	61,497
Administration charge	140,048	17,733	128,619	-	286,400	262,933
Audit and accountancy	-	-	-	23,373	23,373	18,481
Legal and professional fees	-	-	-	84,986	84,986	90,452
Irrecoverable VAT	-	34,743	-	-	34,743	20,362
Cost of sales	-	-	334,888	-	334,888	307,194
Shops operating expenses	-	-	1,603,375	-	1,603,375	1,459,996
Investment portfolio fees	-	29,755	-	-	29,755	29,032
Staff relocation & recruitment	-	-	24,039	-	24,039	13,208
	7,813,930	675,459	4,339,838	147,925	12,977,152	11,690,756

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

9 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	39,566	Key management allocated on time
Audit and accountancy	23,373	Governance
Legal and professional	84,985	Governance
	147,925	

10 Net income/(expenditure) for the year

This is stated after charging the following:

	2025 £	2024 £
Auditors’ remuneration – audit (group)	18,420	18,481
Operating leases	893,873	842,133
Depreciation (group)	275,549	278,937

11 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2025	2024
Staff and management	270	274

The aggregate payroll costs of these persons were as follows:

	2025 £	2024 £
Wages and salaries	7,759,004	7,027,521
Social security costs	707,715	641,957
Other pension costs	586,021	544,051
	9,052,740	8,213,529

Included within wages and salaries are termination payments totalling £95,095 (2024: £27,113). The termination payments were funded from the existing cash reserves.

Other pension costs represent employer’s defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Eight employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2025	2024
£60,000 to £70,000	2	1
£70,000 to £80,000	1	1
£80,000 to £90,000	3	1
£90,000 to £100,000	1	1

The key management personnel of the group comprise of the Chief Executive, Director of Finance and Resources, Director of Income Generation and Director of Clinical Services. The combined employee benefits of the above seven personnel totalled £458,967 (2024: £356,141, four personnel).

12 Pension costs

Defined benefit scheme:

NHS pension scheme

The charity contributes on behalf of its employees to the National Health Service pension scheme. The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence, it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £270,923 (2024: £259,484).

Contributions amounting to £35,782 (2024: £35,737) were payable to the Fund at 31 March 2025 and are included in other creditors.

Standard Life Scheme

The charity operates a Group Personal Pension Scheme for those employees not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008. The charity makes voluntary contributions to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

Pre Auto Enrolment

Employees that joined the scheme before auto enrolment was implemented receive employer contributions of up to 10% of salary.

Auto Enrolment

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £315,098 (2024: £284,567).

Contributions amounting to £48,034 (2024: £44,205) were payable to the Fund at 31 March 2025 and are included in other creditors.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

13 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2024: £Nil).

Further details in relation to related party transactions can be found in note 32.

14 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities. The registered office of both subsidiaries is Cornwall Hospice Care, Porthpean Road, St Austell, Cornwall PL26 6AB.

A summary of the results of the subsidiaries is shown below:

	Cornwall Hospice Care Trading Limited £	Cornwall Hospice Care Lottery Limited £	Total 2025 £	Total 2024 £
<i>Per company accounts</i>				
Turnover	170,999	926,928	1,097,927	1,022,331
Cost of sales	(81,051)	(253,837)	(334,888)	(307,194)
Administrative expenses	(43,943)	(192,148)	(236,091)	(195,261)
Interest receivable	677	31,938	32,615	22,589
Interest payable	(5,359)	-	(5,359)	-
Net profit	41,323	512,881	554,204	542,465
Amount distributed to the charity via Gift Aid	(79,845)	(480,000)	(559,845)	(147,985)
Result in the subsidiary	(38,522)	32,881	(5,641)	394,480

The assets and liabilities of the subsidiaries were:

	Cornwall Hospice Care Trading Limited £	Cornwall Hospice Care Lottery Limited £	Total 2025 £
<i>Per company accounts</i>			
Current assets	182,031	607,659	789,690
Current liabilities	(145,704)	(107,157)	(252,861)
Total net assets	36,327	500,502	536,829
Aggregate share capital and reserves	36,327	500,502	536,829

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

15 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 14.

The summary financial performance of the charity alone is:

	Total 2025 £	Total 2024 £
Income	12,399,670	10,985,240
Gift aid from subsidiaries	559,845	147,985
	<hr/>	<hr/>
	12,959,515	11,133,225
Expenditure on charitable activities	12,600,374	11,239,547
	<hr/>	<hr/>
Net income / (loss)	359,141	(106,322)
Total funds brought forward	11,028,912	11,135,234
	<hr/>	<hr/>
Total funds carried forward	11,388,053	11,028,912
	<hr/>	<hr/>
Represented by:		
Restricted funds	1,092,204	716,391
Unrestricted funds	10,295,849	10,312,521
	<hr/>	<hr/>
Total funds carried forward	11,388,053	11,028,912
	<hr/>	<hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

16 Comparative period statement of financial activities

Consolidated	Unrestricted funds	Restricted funds	Total 2024
	£	£	£
Income			
Donations & legacies	2,977,583	206,235	3,183,818
Income from Charitable Activities	1,158,109	-	1,158,109
Income from Other Trading Activities:			
Commercial trading operations	6,218,469	-	6,218,469
Fundraising	787,922	-	787,922
Other income	197,202	-	197,202
Investment income	231,564	-	231,564
Total Income	11,570,849	206,235	11,777,084
Expenditure			
Expenditure on raising funds			
Commercial trading activities	4,078,326	-	4,078,326
Costs of generating donations and legacies	567,070	-	567,070
Investment portfolio fees	29,032	-	29,032
Expenditure on charitable activities			
Provision of care	6,644,565	230,704	6,875,269
Support costs	141,059	-	141,059
Total Expenditure	11,460,052	230,704	11,690,756
Net gain/(loss) on investments	200,159	-	200,159
Net income	310,956	(24,469)	286,487
Other recognised gains and losses			
Gain on disposal of fixed assets	1,667	-	1,667
Net movement in funds	312,623	(24,469)	288,154
Reconciliation of funds:			
Fund balances brought forward	10,542,364	740,860	11,283,224
Fund balances carried forward	10,854,987	716,391	11,571,378

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

17 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2024	5,857,169	1,433,783	1,113,734	220,455	316,310	8,941,451
Additions	240,184	89,300	14,620	-	38,156	382,260
Disposals	-	-	-	(19,602)	-	(19,602)
Impairment	(230,000)	-	-	-	-	(230,000)
At 31 March 2025	5,867,353	1,523,083	1,128,354	200,853	354,466	9,074,109
Depreciation						
At 1 April 2024	2,458,185	1,180,596	815,894	175,391	293,568	4,923,634
Charge for the year	111,101	74,972	50,769	11,843	22,464	271,149
Released on disposal	-	-	-	(19,602)	-	(19,602)
At 31 March 2025	2,569,286	1,255,568	866,663	167,632	316,032	5,175,181
Net book value						
At 31 March 2025	3,298,067	267,515	261,691	33,221	38,434	3,898,928
At 31 March 2024	3,398,984	253,187	297,840	45,064	22,742	4,017,817

During the year, management conducted a review of the carrying amount of one of the freehold properties. The review identified indicators of impairment due to market decline. Based on the current market value of the property, the recoverable amount had fallen below it's carrying amount. As a result, an impairment loss of £230,000 was recognised in the profit and loss account.

Freehold land and buildings include land at cost of £121,010 (2024: £121,010) on which no depreciation is charged.

Included in Motor Vehicles are vehicles leased under finance leases with a net book value of £31,499 (2024: £39,898).

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

18 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
Cost or valuation						
At 1 April 2024	5,857,169	1,433,783	1,113,734	220,455	332,510	8,957,651
Additions	240,184	89,000	14,620	-	38,156	382,260
Disposals	-	-	-	(19,602)	-	(19,602)
Impairment	(230,000)	-	-	-	-	(230,000)
At 31 March 2025	5,867,353	1,523,083	1,128,354	200,853	370,666	9,090,309
Depreciation						
At 1 April 2024	2,458,185	1,180,596	815,894	175,391	305,368	4,935,434
Charge for the year	111,101	74,972	50,769	11,843	26,864	275,549
Released on disposal	-	-	-	(19,602)	-	(19,602)
At 31 March 2025	2,569,286	1,255,568	866,663	167,632	332,232	5,191,381
Net book value						
At 31 March 2025	3,298,067	267,515	261,691	33,221	38,434	3,898,928
At 31 March 2024	3,398,984	253,187	297,840	45,064	27,142	4,022,217

During the year, management conducted a review of the carrying amount of one of the freehold properties. The review identified indicators of impairment due to market decline. Based on the current market value of the property, the recoverable amount had fallen below it's carrying amount. As a result, an impairment loss of £230,000 was recognised in the profit and loss account.

Freehold land and buildings include land at cost of £121,010 (2024: £121,010) on which no depreciation is charged.

Included in Motor Vehicles are vehicles leased under finance leases with a net book value of £31,499 (2024: £39,898).

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

19 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2025 £	Group 2025 £
At 1 April 2024	155,000	5	4,719,206	4,874,211	4,874,206
Additions at cost	-	-	1,894,170	1,894,170	1,894,170
Disposals	-	-	(1,263,332)	(1,263,332)	(1,263,332)
Realised loss	-	-	(21,396)	(21,396)	(21,396)
Unrealised loss	-	-	(91,051)	(91,051)	(91,051)
At 31 March 2025	155,000	5	5,237,597	5,392,602	5,392,597

The Trustees consider the valuation of the freehold investment property at 5-7 Fore Street, St Austell appropriate at the year end.

The cost of the above listed investments at 31 March 2025 was £5,052,981 (2024: £4,452,503). The cost of the freehold investment properties amounts to £290,000 (2024: £290,000).

Carrying amount of financial assets

	2025 £	2024 £
Instruments measured at fair value through profit or loss	5,237,597	4,719,206

20 Stocks

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Goods for resale	3,470	63,015	3,470	69,456
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	12,370	71,915	12,370	78,356

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

21 Debtors

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Gift Aid debtor	100,857	100,857	153,928	153,928
VAT recoverable	91,564	91,564	99,747	99,747
Amounts owed by group undertakings	139,805	-	-	-
Other debtors	76,477	81,257	36,044	37,720
Prepayments and accrued income	837,354	845,577	1,085,978	1,090,021
	<u>1,246,057</u>	<u>1,119,255</u>	<u>1,375,697</u>	<u>1,381,416</u>

22 Creditors: amounts falling due within one year

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
Trade creditors	171,241	196,612	310,799	344,155
Other creditors	131,539	131,591	135,776	135,442
Bank overdraft	-	2,814	-	-
Other taxation and social security	157,595	158,370	150,613	155,819
Accruals	304,650	318,478	262,073	270,969
Deferred income (note 23)	36,375	106,591	17,611	86,905
Amounts owed to group undertakings	456,066	-	481,600	-
	<u>1,257,466</u>	<u>914,456</u>	<u>1,358,472</u>	<u>993,290</u>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

23 Deferred income

	Company 2025 £	Group 2025 £	Company 2024 £	Group 2024 £
At 1 April 2024	17,611	86,905	33,006	100,135
Released to income in year	(17,611)	(86,905)	(33,006)	(100,135)
Deferred in year	36,375	106,591	17,611	86,905
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	36,375	106,591	17,611	86,905
	<hr/>	<hr/>	<hr/>	<hr/>

Income is deferred in respect of Lottery income whereby players may pay in advance for weekly tickets on a quarterly, half yearly or annual basis. Other income is deferred in respect of education services and rental income where income has been received in advance of the education service being delivered, or the rental period.

24 Contingent assets

At 31 March 2025, the Charity had been notified of legacies receivable totalling an estimated £4m (2024: £3.3m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £495k (2024: £595k) which are subject to a life tenancy interest held by a third party and therefore, are also, not included in the Statement of Financial Activities as conditions for recognition have not been met.

25 Provision for liabilities

Retail Shop Maintenance Provision, during the reporting period, the charity recognised a provision of £49,000 for essential repairs and maintenance across its portfolio of retail shops. The works include structural remedial actions, safety upgrades, and improvements to meet accessibility standards, based on professional surveys carried out during the year.

The provision reflects a present obligation arising from identified defects and compliance requirements, which were known prior to the balance sheet date. The trustees consider it probable that expenditure will be incurred, and the amount has been estimated reliably based on contractor quotes and internal assessments.

The provision is expected to be utilised within the next 12 months. No reimbursement is anticipated.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

26 Restricted funds

The Company and the Group

	Project Appeal Fund	Bed Purchase Fund	Hospice UK Fund	Fit for the Future Fund	Mount Edgcumbe Hospice Fund	St. Julia's Hospice Fund	Total
	£	£	£	£	£	£	£
At 1 April 2023	701,372	39,488	-	-	-	-	740,860
Income	-	-	-	-	-	206,235	206,235
Expenditure	(19,538)	(4,931)	-	-	-	(206,235)	(230,704)
At 1 April 2024	681,834	34,557	-	-	-	-	716,391
Income	-	-	161,678	245,466	562,452	319,020	1,288,616
Expenditure	(19,538)	(4,931)	(5,909)	(953)	(562,452)	(319,020)	(912,803)
At 31 March 2025	662,296	29,626	155,769	244,513	-	-	1,092,204

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect donations made in contribution to bed purchases for each unit. Depreciation on these beds of £4,931 is charged to reserves annually.

The Hospice UK Fund represents restricted income provided by Hospice UK, where funds are restricted for capital purchases across the charity; funding has been used towards acquiring assets in line with the specific funding conditions.

The Fit for the Future Fund represents voluntary income given in respect of future proofing our clinical units so that they are fit for purpose and able to meet the needs of future patients and families over the coming years.

The Mount Edgcumbe Hospice Fund represent legacy income where funds are restricted for use in Mount Edgcumbe Hospice, funding has been used towards running costs of the hospice.

The St. Julia's Hospice Fund represent legacy income where funds are restricted for use in St. Julia's Hospice, funding has been used towards running costs of the hospice.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

27 Unrestricted funds

(a) The Company	[----- Designated Funds -----]				
	Capital Fund	Revaluation Reserve	Legacies Fund	General Reserve	Total
	£	£	£	£	£
At 1 April 2024	3,301,426	131,703	1,750,000	5,129,392	10,312,521
Surplus for the year	-	-	-	(16,672)	(16,672)
Transfer	(494,702)	52,913	(500,000)	941,789	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	2,806,724	184,616	1,250,000	6,054,509	10,295,849
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(b) The Group	[----- Designated Funds -----]				
	Capital Fund	Revaluation reserve	Legacies Fund	General Reserve	Total
	£	£	£	£	£
At 1 April 2024	3,305,826	131,703	1,750,000	5,667,458	10,854,987
Surplus for the year	-	-	-	(22,314)	(22,314)
Transfer	(499,102)	52,913	(500,000)	946,189	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	2,806,724	184,616	1,250,000	6,591,333	10,832,673
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

27 Comparative unrestricted funds

(a) The Company

[----- Designated Funds -----]

	Capital Fund	Revaluation Reserve	Future Service Develop fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2023	3,427,650	23,127	569,609	2,000,000	4,373,988	10,394,374
Surplus for the year	-	-	-	-	(81,853)	(81,853)
Transfer	(126,224)	108,576	(569,609)	(250,000)	837,257	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	3,301,426	131,703	-	1,750,000	5,129,392	10,312,521
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(b) The Group

[----- Designated Funds -----]

	Capital Fund	Revaluation reserve	Future Service Develop Fund	Legacies Fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2023	3,436,449	23,127	105,625	2,000,000	4,977,163	10,542,364
Surplus for the year	-	-	-	-	312,623	312,623
Transfer	(130,623)	108,576	(105,625)	(250,000)	377,672	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	3,305,826	131,703	-	1,750,000	5,667,458	10,854,987
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Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

27 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 26).

The Revaluation Fund represents any changes in the recognised value of investment property and investments if held above cost.

The Future Deficit Fund was established for any future deficits, this has been released to the General Fund in the current year.

The Legacies Fund has been established to mitigate the specific risk that arises around legacy income. Legacies present management with a unique risk, in that if they were to substantially reduce or stop all together management are unable to take management action that would influence this in the short to medium term. The legacy fund is therefore intended to fund any legacy shortfalls, which will allow time for expenditure to be reduced in a planned manner.

28 Analysis of net assets between funds

Consolidated fund balances at 31 March 2025 are represented by:

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	2,806,724	1,092,204	3,898,928
Investments	5,392,597	-	5,392,597
Current assets	3,596,808	-	3,596,808
Current liabilities	(914,456)	-	(914,456)
Non Current liabilities	(49,000)	-	(49,000)
	<hr/>	<hr/>	<hr/>
	10,832,673	1,092,204	11,924,877
	<hr/>	<hr/>	<hr/>

Consolidated fund balances at 31 March 2024 are represented by:

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	3,305,826	716,391	4,022,217
Investments	4,874,206	-	4,874,206
Current assets	3,668,245	-	3,668,245
Current liabilities	(993,290)	-	(993,290)
Non Current liabilities	-	-	-
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	10,854,987	716,391	11,571,378
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Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

29 Commitments

Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company	Group	Company	Group
	2025	2025	2024	2024
	£	£	£	£
Expiring within 1 year	813,839	813,839	807,128	807,128
Expiring 2 - 5 years	2,416,349	2,416,349	2,576,758	2,576,758
Expiring in more than five years	1,614,808	1,614,808	1,959,551	1,959,551
	<u>4,844,996</u>	<u>4,844,996</u>	<u>5,343,437</u>	<u>5,343,437</u>
	Other		Other	
	Company	Group	Company	Group
	2025	2025	2024	2024
	£	£	£	£
Expiring within 1 year	11,997	11,997	23,995	23,995
Expiring 2-5 years	-	-	11,997	11,997
	<u>11,997</u>	<u>11,997</u>	<u>35,992</u>	<u>35,992</u>

30 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £Nil (2024: £Nil).

31 Ultimate controlling party

The ultimate controlling party of the charity are the members.

32 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

Cornwall Hospice Care Limited (Limited by Guarantee)

Notes

(forming part of the financial statements)

33 Reconciliation of operating surplus to net cash flow from operating activities

	2025 £	2024 £
Net income per statement of financial activities	353,499	288,154
Losses/ (Gains) on investments	112,447	(200,159)
Investment income	(256,460)	(231,564)
Add back (profit)/loss on sale of tangible assets	-	(1,667)
Add back impairment charge	230,000	-
Add back depreciation charge	275,550	278,937
Decrease in stocks	6,441	7,353
(Decrease)/Increase in debtors	262,160	(909,176)
(Decrease)/Increase in creditors	(78,833)	(15,869)
Increase/ (Decrease) in provisions	49,000	-
	<hr/>	<hr/>
Net cash provided by operating activities	953,804	(783,990)
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Analysis of net debt

	1 April 2024 £	Cash flows £	31 March 2025 £
Cash at bank and in hand	2,208,473	197,165	2,405,638
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34 Auditor's liability limitation agreement

For the year ended 31 March 2025, the charity entered into a liability limitation agreement with its auditors, the principal terms of which limit the liability of the auditors to £5,000,000 in relation to their responsibilities as auditors of the charity. The date this was agreed by the charity was 21 July 2025.

35 Post balance sheet event

As discussed in the Report of the Chair, the next phase of development of The Fit for the Future project commenced in May 2025, this event is classified as a non-adjusting post balance sheet event, as the contract was finalised and signed after the financial year. As at year end, a reasonable estimate of the potential impact cannot be made.