

REGISTERED COMPANY NUMBER: 02588103 (England and Wales)
REGISTERED CHARITY NUMBER: 1003859



STRATEGIC REPORT, REPORT OF THE TRUSTEES AND AUDITED
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
FOR
HOPE HOUSE CHILDREN'S HOSPICES AND SUBSIDIARIES

DRE & CO (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Hope House Children's Hospices (A company limited by guarantee)

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Hope House Children's Hospices (A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees

Appointed Officers of the Board

Stephen R Henly	Chair	Company Managing Director
Barbara J Evans	Vice Chair	Retired Local Government Officer
Phillip R Inch	Treasurer	Retired Financial Director

Members of the Board

Sarah Griffith	HR Professional	Resigned 25/03/2025
Dr Supriya Kapas	Quality Assurance Pharmacist	
Graeme Harkness	Retired Head Teacher	
Kelly Miller	Solicitor	
Gary Morton	Group Chief Executive	
Dr David Sharp	General Practitioner	
Jean Watt	Retired Consultant Paediatrician	Resigned 20/03/2024
Andrew Morris	Company Director	Resigned 20/03/2024
Victoria Hazeldine	Qualified Learning Disabilities nurse	Appointed 26/03/2025

Independent Directors of Hope House (Trading) Limited

W Andrew Fergus
Andrew T Goldsmith

Independent Directors of Hope House (Lottery) Limited

Stephen R Henly
Phillip R Inch
Gary Morton
Kelly Miller

Company registered number: 2588103
Charity registered number: 1003859

Registered office:

Nant Lane, Morda, Oswestry, Shropshire, SY10 9BX

Company secretary

Andrew T Goldsmith

Chief Executive officer

Andrew T Goldsmith

Executive leadership team

Simi Epstein	Director of Income Generation and Communications
Karen Wright	Director of Care
W Andrew Fergus	Director of Finance, People and Resources

Independent Auditors

DRE and Co (Audit) Limited, 7 Lower Brook Street, Oswestry, Shropshire, SY11 2HG

Bankers

HSBC Bank Plc, The Cross, Oswestry, Shropshire, SY11 2SR

Solicitors

Lanyon Bowdler, Chapter House North, Abbey Lawn, Abbey Foregate, Shrewsbury, SY3 5DE

Investment manager

Investec Wealth & Investment Limited, Colmore Plaza, Colmore Circus, Birmingham, B4 6AT

Investment advisor

Best Practice IFA Group, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

Hope House Children's Hospices (A company limited by guarantee)

LETTER FROM THE CHAIR OF TRUSTEES

Dear Stakeholder,

I am pleased to present our annual report and accounts for the year ending 31st December 2024. A year that marked a significant step change and renewed clarity of Purpose for our Charity.

At the end of 2024, 259 children were registered with us. This represents just over 10% of the total number of children in our community we believe will be living with a life-threatening condition. We know that there are more who could benefit from hospice care. One of the key pillars of our mission is to reach every child from the point of their diagnosis.

In March 2024, the Board approved a new Mission for the Charity. Since then, we have worked to align the whole organisation around this new Purpose. I am immensely proud of our remarkable staff team, who embraced this vision with unwavering focus, delivering meaningful outcomes for the children and families we support.

During the year, we provided:

- 2,458 nights of planned respite care; and
- 299 nights of emergency / crisis care,

service which families tell us is the most vital service that we offer.

At year-end, 58% of the children registered with us were resident in Wales. Following a strategic decision taken in 2023, nearly 10% of the children we now support are resident in Cheshire up from 3% the previous year.

A recent personal highlight for me was attending a meeting with Inspectors from The Healthcare Inspectorate of Wales who had carried out a routine inspection at Ty Gobalith, our hospice in Conwy. Hearing the Inspectors share feedback from parents was deeply moving. One parent's words have remained with me; "This place is beyond improvement". I am incredibly proud of the whole team, working together, listening to the views and seeking to understand the needs of all of our service users, whose dedication made this possible.

2025 will be a milestone year, marking 30 years since the charity began supporting children with life-threatening conditions. Over those years, children's palliative care has evolved significantly. Today children are thankfully living longer, but often with very complex conditions. Each month around ten new referrals are made to our Care Team, on average seven children and their families will meet our acceptance criteria and begin accessing our services.

To remain relevant and deliver professional care and support for the next 30 years and beyond, it is vital that we continue to invest in our facilities, our people, and the development of services that meet the changing landscape of children's palliative care.

Statutory funding remains a vital, yet limited, source of income for children's hospices. We are very grateful to the UK and Welsh governments and NHS organisations for their support. Statutory funding represents just 13% of our total income, around half the proportion received by adult hospices. The recent increase in employer's National Insurance contributions, announced in the autumn 2024 budget, has added an additional burden of approximately £240,000 annually. We will continue to collaborate with sector partners to advocate for increased funding for all children's hospices in England and Wales.

Hope House Children's Hospices enjoys extraordinary public support. I am extremely grateful to everyone who donates their time, energy and creativity to fundraise for us - and to all the donors who support them. It is truly humbling to witness the incredible efforts of individuals across our community who push themselves to their limits to raise money for our cause. With this support comes profound responsibility to steward our resources wisely and ensure our impact and the public benefit of our work is as effective as it can be. I am proud to report that 84p of every £1 we spend is spent directly on delivering our charitable purpose.

Despite challenging trading conditions in our shops our total income increased by 10% on the previous year to a staggering £13.4m. Whilst total expenditure reached £13.6m, investment income enabled us to achieve a small surplus. Encouragingly, we have seen a strong performance so far in 2025. Looking ahead, we remain focused on reaching every child from diagnosis; providing the professional care and support they need, and raising the money required to do so. With your continued help, I am confident that we can grow and deliver even more care to those who need it.

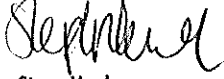
During the year, we also undertook a comprehensive review of our pay and benefits policy to ensure we remain competitive and can attract and retain talented people to our team. We continue to invest in relevant training and development to ensure that our staff have the skills and competencies required.

Today, we are supported by over 740 active volunteers, a 21% increase on the year in review. Their contribution equates to over £1m/pa in comparative wage value with more than 70,000 hours donated in 2024 alone. Without the support of our volunteers, we simply could not deliver all of our services. Thank you, to each and every volunteer, for your tireless commitment and enthusiasm.

Hope House Children's Hospices (A company limited by guarantee)

LETTER FROM THE CHAIR OF TRUSTEES (CONTINUED)

Finally, I would like to thank our Board of Trustees; our dedicated staff and our incredible volunteers for their continued commitment and passionate support for the cause. I also extend heartfelt thanks to everyone who fundraises, donates, visits our shops, plays our lottery, or supports us in countless other ways. There are far too many to mention individually, but please know we are very grateful to you all.



Steve Henly
Chair of Trustees
26th June 2025

OBJECTIVES AND ACTIVITIES

Headlines	
<p>Our vision is a world where every child with a life-threatening condition and their family has 24/7 access to expertise, help and understanding from the point of diagnosis.</p> <p>259 children with a life-threatening condition were registered with us at the end of 2024.</p> <p>Expenditure relating to the delivery of care services in 2024 was £8.7 million which represents 83% of total charitable expenditure.</p> <p>Approximately 13% of total income came from statutory sources.</p>	
Service users	Service numbers
<p>Children and young people with conditions so serious that they are likely to die before they reach early adulthood.</p> <p>Family bereaved from the death of a child.</p> <p>Resident in Mid and North Wales, Shropshire, Telford & Wrekin and Cheshire.</p> <p>Approximately 58% of the children are resident in Wales and 42% in England.</p> <p>Approximately 54% of children (total including neonates) have irreversible but non-progressive conditions causing severe disability leading to susceptibility to health complications and likelihood of premature death.</p>	<p>127 new referrals in the year. 89 were accepted.</p> <p>As of December 2024, we had open cases with 259 CYPs.</p> <p>301 family members received counselling and bereavement support.</p> <p>169 children stayed with us at Hope House and Tŷ Gobaith receiving 2,458 nights of planned respite care and 299 nights of crisis and emergency (unplanned) care; a 10% decrease from 2023.</p> <p>Sadly, 33 children who received support from us died during the year.</p>
Income	Expenditure
<p>Income from statutory bodies (NHS and local authorities) £1.80 million</p> <p>Lottery and Trading income £5.31 million</p> <p>Fundraising including legacies: £6.1 million</p>	<p>Care expenditure: £8.74 million.</p> <p>Fundraising expenditure £1.65 million</p> <p>Lottery and Trading: £3.27 million</p>
Number of staff: 286	Number of active volunteers: 614

In 2024, we launched our revised our purpose, mission, and values, ensuring they truly reflect the needs of the children and families we serve.

OUR MISSION

OUR MISSION

OUR PURPOSE

Hope House Children's Hospices is a charity that gives every local child with a life-threatening condition and their family access to professional care and improves their quality of life from the point of diagnosis

HOW WE ACHIEVE THIS



Provide professional care and support



Reach every local child from diagnosis



Raise the money we need

OUR VALUES



Working together with trust and support



Fairness and honesty in the decisions we make and how we work and interact with others



Embracing new learning and sharing of best practices



Throughout 2024 the charity aligned behind our new purpose putting it foremost when considering investment, activity and service planning.

Public Benefit Statement

The trustees confirm they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit, and our activities are carried out to further our charitable purposes and deliver measurable public benefit, by providing hospice care, respite, counselling and bereavement support to children and families. In 2024 we supported almost 700 individuals.

GOVERNANCE STRUCTURE AND MANAGEMENT OF HOPE HOUSE CHILDREN'S HOSPICES

Governing Documents and Legalities

Hope House Children's Hospices is a registered charity, number 1003859 and a company limited by guarantee, incorporated under the Companies Act 1985, number 2588103.

The objects of the Charity are to relieve the need of:

(a) babies, children and young people with life-threatening, life limited and terminal conditions and their families, who are residing in and around Shropshire, Cheshire, North and Mid Wales, in particular, but not exclusively, by providing:

- (i) respite care and symptom management;
- (ii) crisis, palliative and end of life care and support;
- (iii) psycho-social support, including counselling and wellbeing support for the children and young people and their families;
- (iv) death and bereavement services for their families; and

(b) the families of babies, children and young people who have died in other circumstances through bereavement support

Appointment of trustees

Our Board of Trustees is elected under our governing document. Trustees give their time voluntarily, receive no financial benefits, and bring a wide range of skills and experience. In 2024, we refreshed our trustee body with new appointments and continued to strengthen governance through annual appraisals and training.

The Members of Association have considered and determined not to set a maximum number of terms of office that a trustee may serve as it is felt a mix of experienced and new trustees gives the Board balance. Imposing a maximum number of terms a trustee can serve would unnecessarily cause the loss of skills, knowledge and experience and risk the loss of Institutional memory, continuity, and ability to exercise effective governance.

In 2025 the Board, committee and governance structure will be reviewed as part of the programme to align the charity behind the new purpose. Following that review, a trustee recruitment exercise will be undertaken to bring in new trustees who share the charity's purpose and bring complimentary skills and experience.

Trustee induction training and development

New trustees undergo an Induction process to ensure that they can undertake their duties. During 2024, trustees completed training in the following subjects: -

Charitable purpose and governing documents	Risk management
Safeguarding children and vulnerable adults including deprivation of liberties	Conflict of Interest and loyalty
Equality and diversity	Data protection
	Strategic budgeting and financial management

Trustees undertake an annual appraisal with the Chair of Trustees to identify areas of concern, interest and development.

Organisational structure and decision making

The Board of Trustees administers the charity and meets quarterly. The Board has established a specialist committee structure to provide an efficient mechanism for discharging corporate and charitable governance responsibilities. The committees in place during 2024 were:

Clinical Governance	Audit and Risk
Income and Investment	HR and Remuneration

A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority for all operational matters, within the terms approved by the Trustees.

Related Parties

Hope House (Trading) Ltd. and Hope House (Lottery) Ltd. are wholly owned subsidiaries of Hope House Children's Hospices and are consolidated as part of the charity's accounts. Hope House (Trading) Ltd sells merchandise and Hope House (Lottery) Ltd runs the weekly lottery and regular raffles.

Trustees represent the charity on the subsidiary Board of Hope House (Lottery) Ltd and the Chief Executive and Director of Finance, People and Resources on the subsidiary Board of Hope House (Trading) Ltd.

PRINCIPAL RISKS

The trustees have assessed the major risks to which the charity is exposed. Board reassurance is provided by the Audit and Risk committee which considers the highest strategic risks annually with continuous monitoring.

Critical and high risks to delivering the charitable purpose that were faced by Hope House Children's Hospices at the start of 2024

Potential Risk	Why it matters
The charity lacks direction, strategy and forward planning.	Our current charitable purpose is very broad, leading to spreading our resources too thin and creating competing priorities.
Trustee body lacks relevant skills or commitment.	The retirement of a number of trustees has reduced the collective experience of the trustees and recruiting trustees with some skills (such as paediatric nursing or medicine) remains challenging.
It is unknown if the services currently provided best meet beneficiaries needs.	There are children with life limiting conditions who do not access our services and we do not necessarily know their needs. There appears to be communities that are underrepresented as beneficiaries and we do not know if our services meet their needs.
Insufficient income to meet planned expenditure.	A deficit budgets was planned for 2024, but current position is resilient due to surplus reserves. However, unless long term income can increase in line with increased service costs then services could need to be reduced, impacting families and staff job security.
Significant reduction or loss of statutory sector funding.	Statutory funding accounts for around 13% of annual income and therefore the impact would be significant if this was lost, potentially leading to reduction in service and staff redundancies, with impact on morale and reputation.

Throughout the year, risks and the effectiveness of mitigation measures are monitored, and any new risks identified. At the end of 2024, the following potential risks were identified as falling above the charity's risk appetite.

Critical and high organisational risks entering 2025

Potential Risk	Why it matters	Mitigation
Trustee body lacks relevant skills or commitment.	An engaged and diverse board strengthens the charity's leadership, decision-making, and public trust by bringing varied perspectives, lived experiences, and active commitment to its mission and governance.	The Chief Executive and Chair of Trustees are reviewing the Board Governance structures and trustee obligations and following consultation with existing trustees will report to the Board on new arrangements in March 2025, including proposals for trustee recruitment.
Insufficient income to meet planned expenditure.	A deficit budget has been set for 2025 with costs substantially impacted by the change in National Insurance contributions and the significant increase in National Living Wage.	Some of the increased costs have been offset by investment to increase income and cost savings. Reserves will be used to meet any short term deficit whilst steps are taken to increase income and reduce costs as necessary to ensure a longer term balanced budget and to avoid depleting reserves to unsustainable levels.
Significant reduction or loss of statutory sector funding.	In 2024 the charity received over £1.8million in statutory sector funding by way of grants and service level agreements. Most of these agreements are annual and whether they will continue, in what form or what value is uncertain. The impact if this funding was lost or significantly reduced would be significant, potentially leading to reduction in service and staff redundancies, with impact on morale and reputation.	We continue, along with Hospice UK and TFSL to seek to influence legislators, civil servants and the NHS to secure the future of these important funding streams and where possible uplift the value.
Inappropriate reserves held (too high).	We will enter 2025 reserves in excess of those stipulated by the Reserves Policy. Holding reserves above policy can expose the charity to reputational risk, reduce fundraising effectiveness, and suggest a failure to deploy resources to deliver the charitable objects.	Some of the risk of holding reserves in excess of policy has been mitigated by the decision of the Board in December 2023 to designate three additional funds and expenditure against these funds will continue to deplete reserves in 2025. Additionally, the current reserves policy is scheduled for review at the end of 2025 and given the significant increase in income since 2022, a corresponding increase in the minimum reserves required is likely. This would further reduce the surplus.

STRATEGIC REVIEW

Our Staff and Volunteers

Our staff

Our staff are a critical element of the success of Hope House Children's Hospice. More to the point, what they bring to work is the single most important component of our success, however we measure it. You can see, hear, and feel it every day across all areas of the charity.

In 2024 we held our biannual staff conference where we launched our new mission and gave colleagues an opportunity to connect with the purpose and each other. 225 staff attended and the feedback was overwhelmingly positive.

"This year's Staff Conference was again, amazing. It was informative, insightful and comical. A great day for connecting with everyone. Maybe an instance of Team Building while sat at our tables but all-in-all, a brilliant day."

"Overall fabulous day and lucky to work for an employer that cares and shares!"

"What an absolutely brilliant day. It was a 'Tent Full of Passion' to the cause."

Staff numbers in 2024 vs 2023 by department

Department	2024		2023	
	Total permanent and temp staff	% of staff compliment	Total permanent and temp staff	% of staff compliment
Care	151	53%	144	55%
Retail	69	24%	59	22%
Fundraising (incl Lottery)	31	11%	29	11%
Support	35	12%	32	12%
Grand Total	286		264	

Disability Confident Employer

Hope House Children's Hospices is a Level 2 Disability Confident Employer registered with the Department of Work and Pensions. Disability Confident Employers are recognised as going the extra mile to make sure disabled people get a fair chance.

Gender Pay Gap

Every year the charity publishes its annual gender pay gap report. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. The table below shows the gender pay gap for Hope House Children's Hospices based on data from the 5th of April each year.

	2020	2021	2022	2023	2024
Mean gender pay gap	+9.39%	+14.99%	+11.5%	+14.97%	+5.69%

The mean gender pay gap for the whole UK economy (according to the Office for National Statistics (ONS) 2024 Annual Survey of Hours and Earnings (ASHE) figures) was 13.8%. At 5.69% Hope House Children's Hospices results showed a mean gender pay gap at less than half than that for the whole economy.

The ongoing difference between the mean pay for men and women arises from the roles in which men and women work within the organisation and the salaries that these roles attract. Hope House Children's Hospices is therefore confident that a gender pay gap as defined by the Equality Act does not exist at Hope House Children's Hospices and that any gender pay gap does not stem from paying men and women differently for the same or equivalent work.

Despite men being more likely to be employed in more senior roles commanding higher salaries than women generally in the UK, this is not the case at Hope House Children's Hospices with around 50% of the women employed by Hope House Children's Hospices earning within the higher pay quartiles (43% in 2023).

Pay Policy for Senior Staff

How the salaries of Key Management Personnel are determined is set out in policy and determined by the Board of Trustees.

STRATEGIC REVIEW (CONTINUED)

In order to recruit and retain high calibre staff, the trustees recognise that the remuneration package offered must be competitive whilst reflecting the motivation of working for a charity and the values of the organisation. They therefore seek to ensure salaries are competitive but do not exceed those paid in comparable jobs in non-charitable organisations.

Volunteers

In addition to paid staff the charity was supported by volunteers who are active in many roles across the charity, including the trustees who give their time voluntarily.

The contribution made by our many dedicated volunteers and the considerable hours worked cannot be overstated. They help the charity have a much greater impact than could otherwise be achieved, through governance, raising money, providing care and support to children and families, and by acting as ambassadors.

Number, hours and 'salary saving' given by volunteers

Location	Number of individuals		Total annual volunteer hours		Annual wage 'saving'	
	2024	2023	2024	2023	2024	2023
Ty Gobaith	5	7	684	1,538	£9,234	£20,168
Hope House	29	25	2,854	3,175	£35,962	£39,223
Shops	359	386	64,031	77,180	£732,515	£841,260
Fundraising/ Friends	212	185	1,874	1,495	£26,536	£16,296
Trustees	9	11	721	651	£105,446	£105,446
Grand Total	614	614	70,164	84,039	£909,692	£1,022,393

ACTIVITIES FOR ACHIEVING OUR OBJECTIVES

In 2024, we supported 259 children and young people with life-limiting conditions, along with 301 family members. Behind these numbers are families who told us that our care and support are a "lifeline".

Care was provided at Hope House in Morda near Oswestry, Shropshire and Tŷ Gobaith in Conwy, North Wales, at home and in the community.

Bereavement support was provided to any family after the death of their child - whether or not we had previously cared for them.

To fund the provision of care the charity received funding from statutory sources and raised funds by donations, through the sale of donated goods and by the operation of the subsidiary trading companies, one that sold new goods for the benefit of the charity and the other that operated our lottery.

Our care services and support.

How we helped children and their families - In numbers

259 children and young people registered with us

127 new referrals received, 89 accepted

301 family members received counselling and bereavement support

132 brothers and sisters registered for services

169 children received 2,458 nights of planned respite care and 299 nights of emergency/crisis care

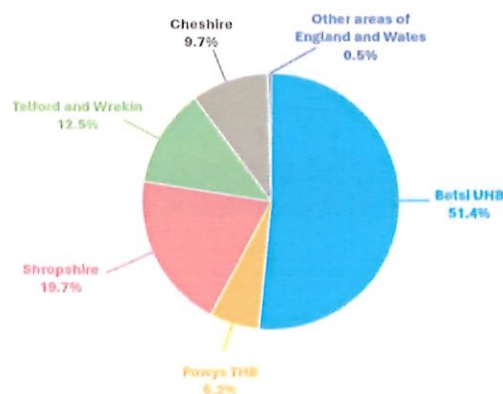
33 children known to us died during the year, 2 at our hospices

206 families received practical support, including home visits

Catchment Area

Hope House Children's Hospices supports children and families' resident in Shropshire, Cheshire, North and Mid Wales. 57% of children registered were resident in Wales and 43% in England. As in previous years the largest number of children are resident in the Betsi Cadwalader University Health Board area (North Wales) followed closely by the 32% resident in the Shropshire, Telford and Wrekin Integrated Care Board Area.

In 2023, Project Wheatsheaf was established to increase the number of children in Cheshire supported. As a result of this project, the proportion of registered children has increased from 3% in 2023 to 9.7% by the end of 2024.



Reach

Based on the most recent Office for National Statistics data, within our catchment area we support a population of around 2,106,362 with a child population of 431,338. Applying the prevalence data from the most recent research, it would suggest that there are approximately 2,564 children with LTCs in our catchment.

As of December 2024, 259 children were registered with us which equates to an estimated 10.1% of children with LTC's within our catchment area although this varies up to over 20% in some communities. Not all children identified in the research will need or want hospice services however, understanding need, removing barriers and increasing reach are priorities going forward.

ACTIVITIES FOR ACHIEVING OUR OBJECTIVES (CONTINUED)

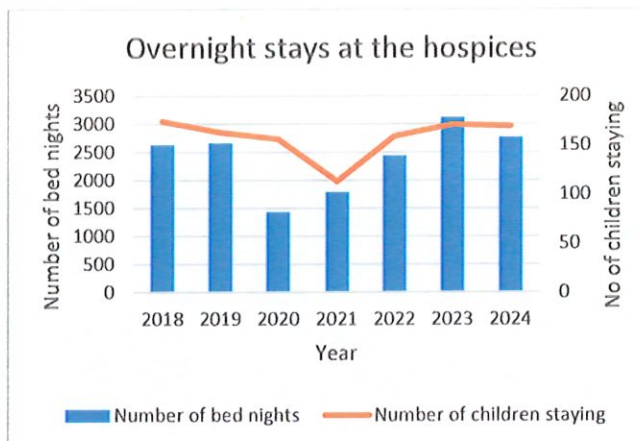
Age range for support

We support children and young people with life limiting conditions from 24 weeks gestation until their 18th Birthday. Transition support continues for another 12 months.

Hospice Care

Hope House Children's Hospices operates two hospices, Hope House in Morda near Oswestry, Shropshire and Tŷ Gobaith in Conwy, North Wales.

Families tell us that they rely on the hospice for overnight respite and it is the most important service that we offer, giving parent carers a break from the intense care that many children with life-limiting conditions require and care, experiences and opportunities for children that improve their quality of life.



During 2024, the number of children staying at the hospices and the number of overnight stays fell as we discharged young adults from the service. The average nights per child was 16.3 nights.

Continuing to optimise occupancy of the hospice for respite stays is a priority in 2025.

Deaths and end-of-life

Over the last 12 months we continued to prioritise end of life care, where possible giving choice of where a child died, whether that be at home, in the hospice or in hospital. This included enabling critically ill babies and children to be transferred out of the neonatal and critical care units to their preferred place of death (hospice or home).

33 children we provided support for sadly died in 2024 including 2 who died at one of our hospices. Prevalence estimates suggest these 33 children made up 56% of children with LTCs expected to die in 2024 within our catchment area.

Complex care and symptom control

Our specialist Paediatric Palliative Care Consultant appointed jointly with Betsi Cadwaladr Health University Health Board, developed our specialist medical support for children in North and Mid Wales, including out of hours and at the hospices. Unfortunately, plans to provide similar support to children resident in Shropshire and Telford and Wrekin did not materialise and we are continuing to work with NHS and neighbouring children's hospice colleagues to find a way to deliver this service.

Parent and family support

In 2024 we provided counselling to parents whose child had died in any circumstance within the last five years through a team of contracted and directly employed counsellors.

Following successful trials, in 2024 we rolled out a programme of family activity and fun days at both hospices throughout the year. These events brought fun and laughter for the whole family and quality moments. They were also an opportunity for families to connect and to build informal networks of support. Feedback from families has been overwhelmingly positive and the following positive impact was achieved. These events will continue and develop in 2025 in harness with plans to improve and enhance the hospice gardens.



In 2024, as part of our work to align our services with our purpose we completed a review of our Sibling Support service and activities. As a result, in 2025 we will launch a new Family Support service with Family Support Workers providing support for the whole family; mums, dads, brothers, sisters and grandparents, individually and collectively. They will work with families to identify the support that they themselves feel they need.

OUR IMPACT

Service users, families and carers offer a vital perspective on the impact of the services offered by the charity. We are therefore committed to engage and involve service users, families and carers in decisions, actions, and activities to ensure they remain at the heart of everything we do.

During 2024, we received 171 responses via our complaints, concerns and compliments system. 96% of the feedback we received was positive. (98% in 2023).

Here is a small sample of the positive feedback received.

Mum had said she was able to sit with her daughter whilst they both had their lunch, with her being pain free and relaxed. Today after 3 years of struggling that dream came true. Thanks for all that you do.

Just a quick note to thank everyone for making our first visit to Ty Gobaith so special. We all really enjoyed it and we feel she coped very well considering that this was the first time she's stayed away from home and let someone else look after her. She was in very safe hands and everyone did their best for her. We were also spoilt so thank you everyone. Please pass on our thanks to all the staff. We're already looking forward to coming back.

Amazing support received from neonates team, very grateful to have Hope House helping during one of the worst times of her life and how amazing everyone is at Hope House

Taking the time needed to really get to know our daughter, to understand how she presents and to keep trying to give her and us a better quality of life. Nothing is too much trouble and feel so understood in the reality of daily life." "Actively listen, care, research and co-ordinate support". "Listening to concerns, taking them on and putting a plan in place quickly.

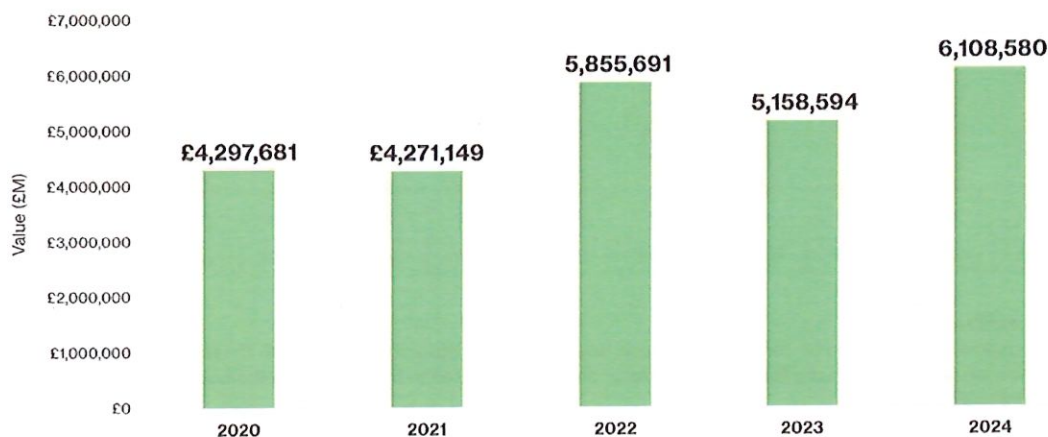
Complaints

We received 1 complaint and 4 negative comments regarding care during the year. The main reason for concern was the reduction in the upper age range for our clinical support from 25 to 18. The complaint was partially upheld and action taken and the negative feedback was used to review and inform improvements.

OUR FUNDRAISING

2024 was our 30th year of providing care and support and throughout that period the charity has relied on our extraordinary supporters and their unfaltering support. We are eternally grateful to all those who continued to donate to us and to raise money so that we can help every local child with a life threatening condition live their best life.

In 2024 we raised £6.1 million from donations and legacies compared to £5.16 million in 2023. The chart below shows total fundraising income for the last 5 years. The drop in income in 2020 and 2021 due to the pandemic can be seen, however 2022 shows a dramatic recovery with the growth continuing in 2024.



2024 had notable fundraising successes including:

Llangollen Canal Walk saw 500 participants join the event and over £30,000 raised.

The Annual Track Day event raised the most ever in its 8 year history at £103,335

Over 100 runners took part in Cardiff Half Marathon thanks to support from Principality Building Society raising a total of £63,443

Raffle mailings raised over £110,000 at Christmas 2024.

Our Quality Moments Matter matched giving campaign raised £496,759: this was generated by 26 matchers, 143 champions and approximately 2,772 donors.

Retail contribution

During 2024 we operated 15 shops and an online and mail order shop. We relocated our shop in Oswestry in April to a flag ship new store and we closed our shop in Denbigh in June.

Hope House Lottery

The Hope House weekly lottery is run in conjunction with our partner Sterling Lotteries who draw the winning numbers every Friday (www.sterlinglotteries.co.uk). The Hope House Lottery belongs to the member group HLA (www.hospicelotteries.co.uk). We adhere to the Gambling Commission regulations including contributing to begambleaware each year.

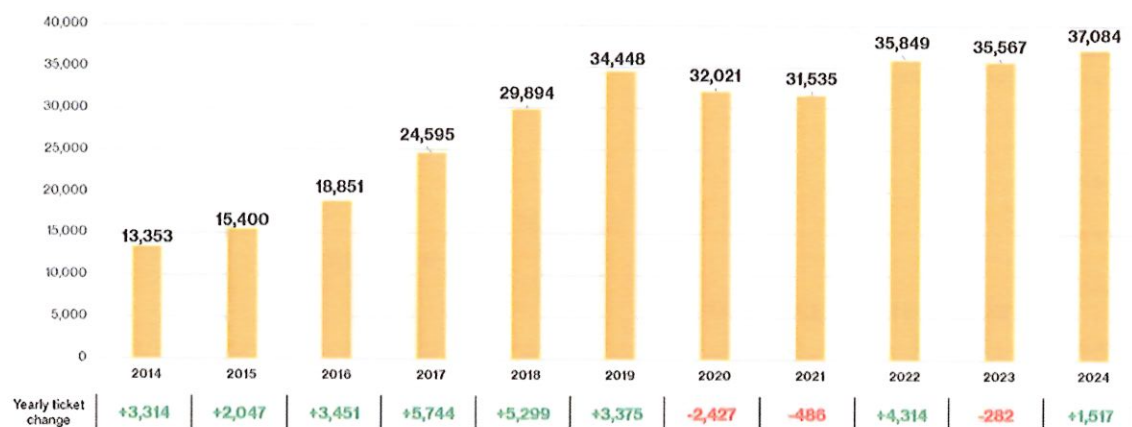
During the year we contracted with face-to-face canvassing agencies and individuals to recruit new supporters to the lottery through a combination of residential door to door recruitment and at venues.

Our lottery has grown from strength to strength over the last 10 years and we ended 2024 with a total of 30,525 lottery players and a total of 37,0084 tickets sold in the last draw of the year. Compared to 2023 this is an additional 1,426 active lottery players at year end.

Our future strategy is to maintain player numbers through recruitment and a focus on player engagement to reduce cancellations and maintaining profitability.

OUR FUNDRAISING (CONTINUED)

Year-end Lottery lines 2014-2024



Our fundraising standards

Donors, supporters and volunteers can be confident that Hope House Children's Hospices complies with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice.

Our reputation with those who need our services and to those who kindly donate to us is paramount. We therefore make the following promises to those who so kindly support us:

We comply with all relevant law, regulations and codes of practice and ensure that those who are contracted to work with us understand and adhere to them in their entirety. We regularly monitor performance and have robust contracts in place to ensure compliance.

We treat the information supporters provide with the utmost respect and use it only for the purposes for which it has been given. Supporters can change their preferences at any time, and we aim to implement those changes within 2 working days.

We have a comprehensive vulnerable people's policy that is regularly reviewed and updated as required.

We respect and value all contributions to the charity and will never do any fundraising activity that may undermine our core values or integrity.

We sometimes engage the services of third parties to help us deliver the fundraising objectives, particularly where we do not have the expertise in house. We have safeguards in place when working with suppliers to protect our supporters and the reputation of our charity. We aim to ensure those agencies we employ also observe the highest standards in terms of fundraising practice. We manage and monitor the work undertaken on our behalf and have robust contracts in place to ensure that all activities are carried out to our high standards.

We are signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us.

Listening to supporters and addressing complaints

We take feedback seriously and although we strive to receive no complaints, when we did, these were prioritised and investigated, fully, quickly and fairly. Where a complaint was upheld we learnt from our mistake and put in effective measures to limit further distress or complaints of the same nature. Our website outlines our complaints policy and clearly explains how an individual can complain.

The following complaints were received in 2024 regarding our fundraising activity.

- Retail: 8 complaints – 6 upheld and action taken.
- Fundraising including Lottery: 10 complaints – 1 upheld and action taken.

Given the level of activity and volume of transactions, the level of complaints remains very low. We received no complaints or notifications via the Fundraising Regulator.

OUR PLANS FOR THE FUTURE

During 2025 we will focus on aligning the charity behind our new purpose and, in particular, delivering the following outcomes.

Providing professional care and support

1. Improved assessment of the needs of children and families and the identification and removal of barriers to service access.
2. Specifications and operating models for Care services aligned to the purpose.
3. A framework for engaging the views of service users and incorporating feedback into decision making and change.
4. Safe, Inclusive, and impactful physical environments for the delivery of Care services.

Reaching every child from diagnosis

5. A confirmed catchment area for both proactive and reactive activity, and a clear understanding of service user need and the support available throughout.
6. Greater influence on clinical professionals to integrate hospice support into care pathways from the point of diagnosis.
7. An increase in the number of honest, effective, and timely conversations with families which lead to informed choice about accessing support.
8. More timely processing of new referrals and effective communication and support for families during the referral process.

Raising the money

9. An integrated income generation strategy (including statutory income) aligned with service priorities and purpose messaging.
10. Improved mechanisms for delivering best value, including monitoring returns on investment and understanding the impact of funded roles.

A well-run organisation

11. An engaged and valued workforce with the skills and knowledge to deliver the purpose, and behaviours reflecting the organisational values.
12. A robust and fit-for-purpose approach to pay and performance review.
13. Governance structures aligned to purpose including board activity, change methodology, procurement practices and information governance.

FINANCIAL REVIEW

The charity is financially stable, with strong reserves and a dependable supporter base. Several years of surplus have put the charity in a sound financial position, able to invest in service growth and income generation.

Financial performance in 2024 significantly exceeded expectations and the receipt of an unbudgeted grant from Welsh Government at the end of the year turned a budget deficit into a small surplus.

Income

Total income in 2024 was £13.4million (£12.2m 2023).

Income from donations and legacies was £6.1million, an increase 18% from 2023.

Our shops made a lower contribution to the charity during 2024 than in the previous year due to falling turnover, increased costs and the reduction in value of textile recycling income. Despite these difficult trading conditions, our shops made a net contribution to the charity of over £600K as well as providing an important presence across our catchment area. In 2024 a new interim retail plan was approved, focussing on stabilising and maximising value before positioning for growth in 2025 and growing in 2026.

The Hope House Lottery remained a significant and reliable income source in 2024, making a net contribution to the charity of £1.4million.

Hope House Children's Hospices maintained strong relationships with healthcare commissioners, who invested in the services we delivered to local children and families. During 2024 Hope House Children's Hospices received £1.8m in funding from statutory bodies towards service provision and capital expenditure. This represented 13% of income and 22% of charitable expenditure.

Whilst we are grateful to the UK and Welsh Governments and NHS organisations in England and Wales for the financial support provide, the funding falls short of the average funding for adult hospices and we continue to press the case for fair and sustainable funding for children's hospices.

Expenditure

Total expenditure in 2024 was £13.6 million an increase of c.£1 million from 2023 driven by increased salaries, inflation and increased services. Significant investment was made in care services, income generation, people development, and supporting infrastructure.

Charitable expenditure (excluding Trading and Lottery) was £10.35 million. £8.7 million of this was on charitable activities (84%), with the remaining £1.65 million on raising funds.)

Reserves policy

Hope House Children's Hospices hold financial reserves to safeguard the future of our care and support for children and families. Should our income not keep pace with costs over time, we may need to adjust the level of services we provide. If this becomes necessary, the trustees will plan any changes with great care to ensure that children and families continue to receive the greatest possible benefit in line with our charitable purpose.

Reserves are held for the following purposes:

To manage short term income shortfalls

Each income stream is assessed as to the likelihood and degree of an income shortfall. Reserves are held a level sufficient to ensure service continuity for 2 years if income falls short of forecast, whilst steps are taken to reduce costs.

To adjust costs to match income

Reserves are held to restructure costs in the event of income not meeting forecast. The money would primarily be used to meet the costs of reducing the workforce by up to 25%.

To provide for catastrophic events

Through a risk management process, we seek to rationalise, quantify and avoid events occurring and insure against those risks that cannot be removed. However, there is always the potential of an unforeseen catastrophic event occurring. It is impossible to quantify such an event but there is sense in holding reserves to mitigate impact or aid recovery should one occur.

Level of Reserves

For the period 2023 to 2025, reserves will be held at the levels below. If reserves fall below these levels then action will be taken to reduce costs within the following 12 months in accordance with agreed priorities, bringing expenditure and income into balance. The level of reserves and compliance with the policy will be considered by the Board of Trustees quarterly and the policy will be reviewed by December 2025.

FINANCIAL REVIEW (CONTINUED)

Purpose for which reserves are held	Minimum reserves at year end		
	2023	2024	2025
To manage income shortfalls	2,826,000	2,853,000	2,976,125
To adjust costs	1,000,000	1,000,000	1,000,000
To respond to a catastrophic event	350,000	350,000	350,000
Total	4,176,000	4,203,000	4,326,125

The level of reserves have been determined through a risk based reserves calculation that accounts for high levels of uncertainty over income offset by a fairly static cost base.

Following three years of significant surplus, reserves during 2023 were substantially above policy and in December 2023 the Board of Trustees establishment of three designated funds for the financial years 2023 - 2025.

Hospices Modernisation and Enhancement Fund - £1,000,000

Retail Growth & Development Fund - £500,000

Purpose & Impact Alignment Fund - £1,500,000.

Unlike the contingency designated funds (for which the reserves policy determines the minimum level that must be maintained), the three additional funds were designated with the specific intent to spend them. Designating funds in this way allowed the trustees to invest in pursuit of the charity's purpose and demonstrate to external funders and stakeholders why these funds are being held.

Investment policy

The investment portfolio is managed by the Income & Investment committee of the Board of Trustees. In general terms, the aim is to spread risk across several sectors as follows:

Cash in UK registered current, deposit and overnight bank accounts.

Shares traded on the London Stock Exchange and overseas.

Freehold and leasehold land.

Shares and other investments donated to the charity (after a full financial review of the investment at the next appropriate investment committee meeting).

Shares in subsidiary companies.

Unit trusts, open ended investment companies, trust companies and the like.

The Income and Investments committee is mindful of its key responsibility of keeping the finances of the charity secure and have therefore adopted a medium risk investment strategy. The committee engaged the services of Investec Wealth and Investment (subsequently Rathbones) and Parmenion Capital Partners to manage the charity's equity portfolio and received independent financial advice from Redbourne Wealth Management.

The performance of the Investment Manager and Portfolio was reviewed regularly by the Income and Investment committee and performance assessed against the Balanced Asset Benchmark produced by Asset Risk Consultants (ARC).

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Hope House Children's Hospices for the purposes of company law) are responsible for preparing the trustees' report (including the group director's and strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

select suitable accounting policies and then apply them consistently;
observe the methods and principles in the Charities SORP (FRS102);
make judgements and accounting estimates that are reasonable and prudent;
state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

Disclosure of information to auditors

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

so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and

that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

This report, incorporating the group strategic report, was approved by the trustees, in their capacity as company directors, on 26th June 2025 and signed on their behalf by:



Stephen Henly
Chair of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

Opinion

We have audited the financial statements of Hope House Children's Hospices (the 'charitable parent company') and its subsidiaries ('the group') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charitable parent company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Trustees. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the group and the charitable parent company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the charitable parent 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 and the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the client's operating sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- reviewing the client's system notes and internal controls.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS (CONTINUED)

- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias;

- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims

- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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



Aled Davies FCCA (Senior Statutory Auditor)
for and on behalf of D.R.E. & CO (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

26th June 2025

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	5,617,783	490,797	6,108,580	5,158,594
Charitable activities					
Charitable activities	4	9,457	1,794,487	1,803,944	1,648,919
Other trading activities	5	5,310,693	-	5,310,693	5,268,594
Investment income	6	187,367	-	187,367	188,735
Total		11,125,300	2,285,284	13,410,584	12,264,842
EXPENDITURE ON					
Raising funds	7	1,649,157	-	1,649,157	1,507,485
Trading activities	8	3,273,187	-	3,273,187	2,954,393
Charitable activities					
Charitable activities	9	6,743,815	1,994,596	8,738,411	8,172,688
Total		11,666,159	1,994,596	13,660,755	12,634,566
Net gains on investments	16	513,547	-	513,547	414,647
NET INCOME/(EXPENDITURE)		(27,312)	290,688	263,376	44,923
RECONCILIATION OF FUNDS					
Total funds brought forward	20	15,462,121	229,743	15,691,864	15,646,941
TOTAL FUNDS CARRIED FORWARD		15,434,811	520,431	15,955,242	15,691,864

All activities relate to continuing operations. The Statement of Financial Activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
FIXED ASSETS					
Tangible assets	14	5,053,975	407,185	5,461,160	4,811,226
Investment property	15	409,999	-	409,999	409,999
Investments	16	7,249,536	-	7,249,536	7,712,316
		12,713,510	407,185	13,120,695	12,940,541
CURRENT ASSETS					
Stocks	17	19,814	-	19,814	19,514
Debtors	18	2,647,317	-	2,647,317	1,866,827
Cash at bank and in hand		887,326	113,246	1,000,572	1,663,988
		3,554,457	113,246	3,667,703	3,550,329
CREDITORS					
Amounts falling due within one year	19	(833,156)	-	(833,156)	(799,006)
NET CURRENT ASSETS		2,721,301	113,246	2,834,547	2,751,323
TOTAL ASSETS LESS CURRENT LIABILITIES		15,434,811	520,431	15,955,242	15,691,864
NET ASSETS		15,434,811	520,431	15,955,242	15,691,864
FUNDS					
Unrestricted funds	20			15,434,811	15,462,121
Restricted funds				520,431	229,743
TOTAL FUNDS				15,955,242	15,691,864

The financial statements were approved by the trustees on 26th June 2025 and signed on their behalf by:



Stephen R Henly

**CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024**

		Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
FIXED ASSETS					
Tangible assets	14	5,053,975	407,185	5,461,160	4,811,226
Investment property	15	409,999	-	409,999	409,999
Investments	16	7,249,540	-	7,249,540	7,719,316
		12,713,514	407,185	13,120,699	12,940,541
CURRENT ASSETS					
Stocks	17	-	-	-	18,274
Debtors	18	2,647,317	-	2,647,317	2,011,478
Cash at bank and in hand		762,498	113,246	875,744	1,350,151
		3,409,815	113,246	3,523,061	3,379,903
CREDITORS					
Amounts falling due within one year	19	(694,950)	-	(694,950)	(635,015)
		2,714,865	113,246	2,828,111	2,744,887
NET CURRENT ASSETS					
		15,428,379	520,431	15,948,810	15,685,432
TOTAL ASSETS LESS CURRENT LIABILITIES					
		15,428,379	520,431	15,948,810	15,685,432
NET ASSETS					
FUNDS					
	20				
Unrestricted funds				15,428,379	15,455,689
Restricted funds				520,431	229,743
TOTAL FUNDS				15,948,810	15,685,432

The financial statements were approved by the trustees on 26th June 2025 and signed on their behalf by:



Stephen R Henly

Hope House Children's Hospices (A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

		31.12.24	31.12.23
		£	£
Cash flows from operating activities	CF1		
Cash generated from operations		(727,602)	545,239
Interest paid		(39,251)	-
Net cash provided by operating activities		(766,853)	545,239
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,067,259)	(329,242)
Purchase of fixed asset investments		(1,013,432)	(1,000,000)
Sale of fixed asset investments		1,991,380	-
Interest received		187,367	-
Movement on cash account		5,379	-
Net cash used in investing activities		103,435	(1,329,242)
Change in cash and cash equivalents in the reporting period		(663,416)	(784,003)
Cash and cash equivalents at the beginning of the reporting period	CF2	1,663,988	2,447,991
Cash and cash equivalents at the end of the reporting period	CF2	<u>1,000,572</u>	<u>1,663,988</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

CF 1 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.24	31.12.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	263,376	44,923
Adjustments for:		
Depreciation charges	417,325	390,809
Income from investments	(185,928)	(188,735)
Investment management fees	39,251	37,462
Gain on investments	(513,547)	(348,883)
Revaluation of investment property	-	(65,764)
Interest received	(1,439)	-
Increase in stocks	(300)	(5,441)
(Increase)/decrease in debtors	(780,490)	541,759
Increase in creditors	34,150	139,109
Net cash (consumed) / provided by operations	<u>(727,602)</u>	<u>545,239</u>

CF 2 ANALYSIS OF CHANGES IN NET FUNDS

	At 01.01.24	Cash Flow	At 31.12.24
	£	£	£
Cash at bank and in hand	1,663,988	(663,416)	1,000,572
Total cash and cash equivalents	<u>1,663,988</u>	<u>(663,416)</u>	<u>1,000,572</u>

1. ACCOUNTING POLICIES

Charity information

Hope House Children's Hospices is a registered charity and private company limited by guarantee incorporated in England and Wales. The registered office is Nant Lane, Morda, Oswestry SY10 9BX.

The group consists of Hope House Children's Hospices and all of its subsidiaries.

The charitable company's financial statements have been prepared in compliance with the Charities SORP (FRS 102) issued 1 January 2015 (update bulletin 2, effective 1 January 2019).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that 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 profit or loss of the group. The charity 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 cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Hope House Children's Hospices and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits) on a line-by-line basis. All financial statements are made up to 31 December 2024.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Preparation of the accounts on a going concern basis

The trustees have considered the future trading of the charitable company and the group and have prepared cash flow forecasts for a period of 12 months from the date of these financial statements.

At the time of approving the financial statements, the trustees have a reasonable expectation that the

charitable company and group have adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Incoming resources

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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to charities or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from charitable activities is grant income received from statutory bodies, this is recognised when the charity has entitlement to the funds, any performance conditions have been met and the amount can be reliably measured.

1.5 Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS102), the general volunteer time is not recognised, refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity that have been set aside by the trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund when specified by the donor or when funds are raised for particular restricted purposes.

1.8 Expenditure

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

- Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies, costs of fundraising activities including the costs of commercial trading, shop trading and the lottery and their associated support costs.

- Expenditure on charitable activities includes the cost of providing care and associated support.

1.9 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include head office costs, finance, personnel, payroll and governance costs and also include project management carried out centrally. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.10 Operating leases

The charity classifies the lease of shop premises and vehicles as operating leases. Rentals under operating leases are charged on a straight line basis over the term of the lease.

1.11 Tangible fixed assets

Individual fixed assets costing £1,000 or more were capitalised at cost in the year including any incidental expenses of acquisition.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings - 40 years straight line
Freehold land - not provided
Plant and machinery - 4 – 10 years straight line
Motor vehicles - 5 – 10 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.12 Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss and transferred to a non-distributable profit reserve.

1.13 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in the statement of financial activities throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.14 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.15 Debtors

Debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.16 Cash at bank and in hand

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

1.17 Creditors and provisions

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

1.18 Pensions

The group and charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group and charity to the fund in respect of the year.

1.19 Financial Instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as noncurrent liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.20 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgement, 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.

Determining residual values and useful economic lives of tangible fixed assets

The group depreciates tangible assets over their estimated useful lives based on historic performance. The actual lives can vary.

Recognition of legacy income

The group recognises receipt of a legacy when the receipt is probable, the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. This can often be several months before the actual receipt which can vary.

2 LEGAL STATUS

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 INCOME FROM DONATIONS AND LEGACIES

	2024	2024	2024	2023
	Unrestricted	Restricted	Total funds	Total funds
	funds	funds		
	£	£	£	£
Other income	59,398	-	59,398	48,828
Donations	2,666,136	490,797	3,156,933	3,071,246
Gift aid	325,478	-	325,478	304,518
Legacies	2,566,771	-	2,566,771	1,734,002
	5,617,783	490,797	6,108,580	5,158,594

Incoming resources from non-exchange transactions

Donated goods and facilities for which there was no income recorded were received to a value of £42,262 (2023: £80,582). No conditions were attached to these donations.

In addition to paid staff, the charity was supported by 614 (2023: 614) active volunteers during the year. As a result, in 2024 volunteers provided 70,164 hours (2023: 84,039 hours) of volunteering worth equivalent of £909,692 (2023: £1,022,393) in salary costs.

4 INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.24	31.12.23
		£	£
Grants	Charitable activities	1,803,944	1,648,919

Grants received, included in the above, are as follows:

	31.12.24	31.12.23
	£	£
English CCG grants	320,181	318,247
NHS England grant	381,353	307,240
Welsh LHB grants	592,543	214,956
Other	1,209	-
NHS/WHA - Pensions	82,034	80,256
NHS Wales - Hospice funding	426,624	426,624
Southampton Hospital	-	301,596
	1,803,944	1,648,919

5 INCOME FROM TRADING ACTIVITIES

	2024	2024	2024	2023
	Unrestricted	Restricted	Total funds	Total funds
	funds	funds		
	£	£	£	£
Hope House (Trading) Limited	110,654	-	110,654	85,114
Hope House (Lottery) Limited	2,069,677	-	2,069,677	2,010,753
Hope House Children's Hospices	3,130,363	-	3,130,363	3,172,727
	5,310,693	-	5,310,693	5,268,594

The 2024 total income from trading activities was unrestricted. The trade of Hope House (Trading) Limited is derived from the purchase and sale of merchandise (new goods). Hope House (Lottery) Limited operates the lottery scheme and raffle. Trading activities in Hope House Children's Hospices represents the sale of donated goods in the charity shops.

6 INCOME FROM INVESTMENT ACTIVITIES

	2024 Unrestricted funds	2024 Restricted funds	2024 Total funds	2023 Total funds
	£	£	£	£
Hope House (Lottery) Limited	2	-	2	2
Hope House Children's Hospices	187,365	-	187,365	188,733
	<u>187,367</u>	<u>-</u>	<u>187,367</u>	<u>188,735</u>

Investment income has arisen on the dividends and interest earned on the charity's listed investment portfolio. All investment income in 2024 was unrestricted.

7 EXPENDITURE ON RAISING FUNDS WITHIN THE CHARITY

	31.12.24	31.12.23
	£	£
Staff costs	1,223,020	1,094,502
Insurance	7,064	5,929
Telephone	25,281	14,491
Postage and stationery	29,968	44,529
Promotional expenses	73,297	75,464
Designing and branding	43,844	36,861
Event expenses	123,155	117,183
Travelling expenses	23,588	21,409
Training and conferences	7,711	351
General expenses	19,466	11,643
Payment processing fees	25,536	43,899
Investment management costs	39,251	37,456
Commission paid	-	1,042
Innovation fund	-	2,726
Premises costs	7,976	-
	<u>1,649,157</u>	<u>1,507,485</u>
Attributable to:		
Unrestricted funds	1,649,157	1,507,485
Restricted funds	<u>1,649,157</u>	<u>1,507,485</u>

8 EXPENDITURE ON TRADING ACTIVITIES

	2024 Unrestricted funds	2024 Restricted funds	2024 Total funds	2023 Total funds
	£	£	£	£
Hope House (Trading) Limited	70,044	-	70,044	56,120
Hope House (Lottery) Limited	651,829	-	651,829	727,055
Hope House Children's Hospices	2,551,314	-	2,551,314	2,171,218
	<u>3,273,187</u>	<u>-</u>	<u>3,273,187</u>	<u>2,954,393</u>

9 EXPENDITURE ON CHARITABLE ACTIVITIES

Charitable Activities	31.12.24 £	31.12.23 £
Wages	5,660,620	5,253,787
Rates and water	12,277	9,357
Insurance	38,658	34,652
Light and heat	60,527	88,908
Telephone	54,457	39,829
Postage and stationery	38,590	52,505
Repairs and maintenance	92,482	162,867
Housekeeping	101,348	92,626
Food and catering	90,339	94,443
Motor expenses	24,509	21,529
Vehicle lease charges	7,806	7,755
Travelling expenses	42,756	31,296
Training and conferences	44,818	33,776
General expenses	79,616	138,908
Nursing consumables	33,851	33,238
Medical cover	124,832	73,846
Care database & software subs	86,305	100,077
Agency	2,434	3,264
Rent	25,000	28,760
Innovation fund	5,788	2,481
Depreciation of tangible fixed assets	353,387	342,376
	<hr/>	<hr/>
	6,980,400	6,646,280
Support Costs		
Printing, postage, stationery and IT	36,476	34,563
Telephone	22,410	23,565
Rates and water	2,982	1,768
Light & heat	2,100	1,171
Repairs and maintenance	16,807	3,660
General expenses	19,242	124,714
Travelling expenses	18,328	20,993
Training and conferences	25,527	42,736
Wages and salaries	1,300,774	1,026,464
Agency & recruitment	13,449	21,534
Apprentice levy	40,178	32,366
Staff benefit scheme	50,122	25,832
Bank charges	16,927	17,205
Insurance	10,321	8,650
Rent and service charges	17,059	19,062
Irrecoverable VAT	14,120	5,665
Innovation fund	1,874	-
Software and licensing	84,336	81,433
	<hr/>	<hr/>
	1,693,032	1,491,381
Governance costs		
Audit fees - audit services	18,000	6,000
Finance and legal fees	44,099	24,408
Trustee expenses	2,880	4,619
	<hr/>	<hr/>
	64,979	35,027
Total charitable expenditure	<hr/>	<hr/>
	8,738,411	8,172,687

10 NET INCOME

This is stated after charging:-

Depreciation of owned tangible fixed assets	417,325	390,809
Auditors remuneration - audit of group	15,000	5,000
Auditors remuneration - non-audit services	3,000	2,500
	<u>435,325</u>	<u>398,309</u>

11 TRUSTEE'S REMUNERATION AND BENEFITS

During the year, no trustees received any remuneration (2023: £Nil). During the year, no trustees received any benefits in kind (2023: £Nil). No trustees were reimbursed expenses (2023: £Nil). Expenses totalling £2,159 (2023: £1,406) for travel were waived by trustees during the year. The charity incurred costs of £2,880 (2023: £4,619) in relation to the trustees that are compulsory for them to conduct their roles. These expenses include indemnity insurance and governance training.

12 STAFF BENEFITS

	Group		Charity	
	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
Wages and salaries	8,422,871	7,563,828	8,387,935	7,525,500
Social security costs	750,984	658,901	748,988	656,687
Other pension costs	620,783	559,402	618,853	557,231
	<u>9,794,638</u>	<u>8,782,131</u>	<u>9,755,776</u>	<u>8,739,418</u>

The average monthly number of employees during the year was as follows:

	Group		Charity	
	31.12.24	31.12.23	31.12.24	31.12.23
Hospice services	151	161	151	161
Fundraising & publicity	31	28	31	28
Support	35	27	35	27
Retail & lottery	71	69	69	66
	<u>288</u>	<u>285</u>	<u>286</u>	<u>282</u>

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

	31.12.24	31.12.23	31.12.24	31.12.23
£60,001 - £70,000	1	-	1	-
£70,001 - £80,000	2	2	2	2
£80,001 - £90,000	1	-	1	-
£90,001 - £100,000	-	1	-	1
Over £100,000	1	1	1	1
	<u>5</u>	<u>4</u>	<u>5</u>	<u>4</u>

The key management personnel of the group, comprise the Trustees', the Chief Executive Officer, Director of Income Generation and Communications, Director of Care, Director of Finance, People and Resources plus the Directors of the wholly owned subsidiaries. The total employee benefits of the key management personnel were £467,893 (2023: £462,412).

13 2023 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,708,362	450,232	5,158,594
Charitable activities	-	1,648,919	1,648,919
Charitable activities			
Other trading activities	5,268,594	-	5,268,594
Investment income	188,735	-	188,735
TOTAL INCOME	10,165,691	2,099,151	12,264,842
EXPENDITURE ON			
Raising funds	1,507,485	-	1,507,485
Trading activities	2,954,393	-	2,954,393
Charitable activities			
Charitable activities	6,245,135	1,927,553	8,172,688
TOTAL EXPENDITURE	10,707,013	1,927,553	12,634,566
Net gains on investments	414,647	-	414,647
NET INCOME/(EXPENDITURE)	(1,631,440)	1,676,363	44,923
Transfers between funds	1,631,582	(1,631,582)	
Net movement in funds	142	44,781	44,923
RECONCILIATION OF FUNDS			
Total funds brought forward	15,461,979	184,962	15,646,941
TOTAL FUNDS CARRIED FORWARD	15,462,121	229,743	15,691,864

14 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2024	6,925,189	2,233,066	176,348	9,334,603
Additions	565,362	501,897	-	1,067,259
At 31 December 2024	<u>7,490,551</u>	<u>2,734,963</u>	<u>176,348</u>	<u>10,401,862</u>
DEPRECIATION				
At 1 January 2024	3,145,877	1,254,005	123,495	4,523,377
Charge for year	157,927	246,079	13,319	417,325
At 31 December 2024	<u>3,303,804</u>	<u>1,500,084</u>	<u>136,814</u>	<u>4,940,702</u>
NET BOOK VALUE				
At 31 December 2024	<u>4,186,747</u>	<u>1,234,879</u>	<u>39,534</u>	<u>5,461,160</u>
At 31 December 2023	3,779,312	979,061	52,853	4,811,226

Freehold property comprises the following: Hope House Hospice building and land, Ty Gobaith building and land, Administration Bungalow and the Bangor Shop. The freehold land is held at a cost of £608,106 (2023: £608,106), which is not depreciated.

During the year, the charity purchased tangible fixed assets totalling £407,185 (2023: £126,817) funded by restricted donation and grants. As the performance conditions on these assets purchases have been met, the funding has been transferred to the general fund.

At 31 December 2024 the charity had received £82,000 (2023: £45,600) in restricted funding for the acquisition of tangible fixed assets which had not been completed at the year end. This income has been carried forward in the restricted fund.

15 INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2024 and 31 December 2024	<u>409,999</u>
NET BOOK VALUE	
At 31 December 2024	<u>409,999</u>
At 31 December 2023	<u>409,999</u>

The investment properties held by the charity are the buy to let property of, 81 Borfa Green, Welshpool and 2 Parciau Bach, Criccieth, a property previously bequeathed to the group and the charity.

The properties have been revalued to reflect their fair values in the accounts. The Welshpool property's fair value is based on the market value price per a marketing report carried out by Morris Marshall Poole, independent valuers, who are not connected to the charity, on 4 April 2024.

The market value of the Criccieth property was arrived at on the basis of a valuation carried out by TP & Co Surveying, independent valuers, who are not connected to the charity, on 5 April 2024.

The trustees consider these valuations to be appropriate as at 31 December 2024. The historic cost of the properties is £344,235. See movement in funds note for the impact on the group's and charity's reserves.

16 FIXED ASSET INVESTMENTS	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 January 2024	7,577,047	142,269	7,719,316
Additions	1,013,432	-	1,013,432
Disposals	(1,991,380)	-	(1,991,380)
Portfolio movement	513,547	-	513,547
Movement on cash account	-	(5,379)	(5,379)
At 31 December 2024	<u>7,112,646</u>	<u>136,890</u>	<u>7,249,536</u>
NET BOOK VALUE			
At 31 December 2024	<u>7,112,646</u>	<u>136,890</u>	<u>7,249,536</u>
At 31 December 2023	7,577,047	142,269	7,719,316

The net book value of investment assets held outside of the UK was £3,673,425 (2023: £3,687,911).

	Listed investments £	Cash and settlements pending £	Shares in subsidiaries £	Totals £
MARKET VALUE				
At 1 January 2024	7,577,047	142,269	4	7,719,320
Additions	1,013,432	-	-	1,013,432
Disposals	(1,991,380)	-	-	(1,991,380)
Revaluations	513,547	-	-	513,547
Movement on cash account	-	(5,379)	-	(5,379)
At 31 December 2024	<u>7,112,646</u>	<u>136,890</u>	<u>4</u>	<u>7,249,540</u>
NET BOOK VALUE				
At 31 December 2024	<u>7,112,646</u>	<u>136,890</u>	<u>4</u>	<u>7,249,540</u>
At 31 December 2023	7,577,047	142,269	4	7,719,320

Charity investment in subsidiaries comprise:

Subsidiary	Company No.	Percentage Shareholding	Class of shares	No of shares	Total value
Hope House (Trading) Limited	02691088	100	Ordinary £1	2	2
Hope House (Lottery) Limited	05066936	100	Ordinary £1	2	2
					<u>4</u>

16 FIXED ASSET INVESTMENTS (CONTINUED)

The wholly owned trading subsidiaries, Hope House (Trading) Limited and Hope House (Lottery) Limited are incorporated in the United Kingdom. They both have the registered office of Nant Lane, Morda, Oswestry, Shropshire, SY10 9BX. Hope House (Trading) Limited and Hope House (Lottery) Limited distribute all of their profits to the Charity under Deed of Covenant.

The assets and liabilities of the subsidiaries were:	Hope House (Trading) Limited		Hope House (Lottery) Limited	
	2024	2023	2024	2023
	£	£	£	£
Current assets	20,330	2,373	154,547	312,704
Current liabilities	(18,761)	(804)	(149,680)	(307,837)
Aggregate share capital and reserves		1,569	4,867	4,867
Net income from trading activities	46,143	33,249	1,417,850	1,283,700

17 STOCKS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Goods for resale	19,814	19,514	-	18,274

18 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
Trade debtors	57,414	-	57,414	-
Other debtors	2,220,339	1,662,151	2,220,339	1,662,151
Amounts owed by group undertakings	-	-	-	144,651
VAT	161,223	-	161,223	-
Prepayments and accrued income	208,341	204,676	208,341	204,676
	<u>2,647,317</u>	<u>1,866,827</u>	<u>2,647,317</u>	<u>2,011,478</u>

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.12.24	31.12.23	31.12.24	31.12.23
Trade creditors	397,110	186,895	364,116	170,366
Social security and other taxes	173,335	169,046	173,335	169,046
Other creditors	101,766	88,088	101,766	88,088
Amounts owed to group	-	-	11,474	-
Accruals and deferred income	160,945	354,977	44,259	207,515
	<u>833,156</u>	<u>799,006</u>	<u>694,950</u>	<u>635,015</u>

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)

Included within accruals and deferred income is deferred income totalling £13,797 (2023: £101,156) in the charity. Deferred income in Hope House Children's Hospices is recognised in respect of grants where the performance agreement runs across multiple periods. The deferred income recognised in 2023 has been subsequently recognised as income in 2024 and 2024 income will be recognised in 2025.

Included in deferred income is £97,709 (2023: £127,705) in relation to Hope House (Lottery) Limited, the deferred income relates to the collection of funds for future lottery draws. The income is recognised once a draw period is closed with future draw income to be recognised as draws take place in the future.

20 STATEMENT OF FUNDS

Group	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General funds - all funds	8,220,357	145,688	8,366,045
Business continuity	4,176,000	27,000	4,203,000
Hospice modernisation	1,000,000	-	1,000,000
Retail growth	500,000	(200,000)	300,000
Purpose Alignment	1,500,000	-	1,500,000
Revaluation reserve	65,764	-	65,764
	15,462,121	(27,312)	15,434,810
Restricted funds			
Restricted funds - all funds	229,743	290,688	520,431
TOTAL FUNDS	15,691,864	263,376	15,955,242

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds - all funds	11,125,300	(11,666,159)	513,547	(27,312)
Restricted funds				
Restricted funds - all funds	2,285,284	(1,994,596)	-	290,688
TOTAL FUNDS	13,410,584	(13,660,755)	513,547	263,376

20 STATEMENT OF FUNDS (CONTINUED)

Charity	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General funds - all funds	8,213,925	145,688	8,359,615
Business continuity	4,176,000	27,000	4,203,000
Hospice modernisation	1,000,000	-	1,000,000
Retail growth	500,000	(200,000)	300,000
Purpose Alignment	1,500,000	-	1,500,000
Revaluation reserve	65,764	-	65,764
	15,455,689	(27,312)	15,428,379
Restricted funds			
Restricted funds - all funds	229,743	290,688	520,431
TOTAL FUNDS	15,685,432	263,376	15,948,810

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds - all funds	10,408,961	(10,949,819)	513,547	(27,312)
Restricted funds				
Restricted funds - all funds	2,285,284	(1,994,596)	-	290,688
TOTAL FUNDS	12,694,245	(12,944,415)	513,547	263,376

20 STATEMENT OF FUNDS (CONTINUED)

DESIGNATED FUNDS

Workforce Management Fund

The trustees are conscious that the charity must operate with an appropriately skilled workforce and are very aware of their responsibilities to its employees. Funds are therefore held and designated in a Workforce Management Fund to accommodate the cost of ensuring sufficient skilled capacity across the organisation.

Changes in service delivery may result in some staff not having the necessary skills to work effectively. If unable to retrain and gain skills at the required level of competence, then this fund allows the organisation to discharge its obligation to those staff not able to maintain high standards of delivery due to circumstances beyond their control.

Payment from this fund can only be considered in cases where the benefit to both the employee and the organisation can be demonstrated.

Service Development Fund

Fundraising

There is compelling evidence to support the case for investment in fundraising. Returns are significantly better than bank investments for slightly higher risk and we can flex investment in fundraising, increasing it when the returns look good and decreasing when not.

To achieve the desired levels of growth, it is proposed that the investment in fundraising is increased to 24% of total voluntary income by 2024. Funds are designated to support this investment if required.

Care

As the needs and complexity of the children cared for by the organisation evolves, services must evolve with them. To ensure that this development is possible, funds have been designated should they be required.

Business Continuity Fund

To manage income shortfalls

Analysis has identified and assessed the risk to the income received by the charity from various sources. Reserves are held to ensure service continuity if this income falls short of the forecast, allowing time to either restore this income or reduce costs accordingly.

To adjust costs

A reserve has been designated for costs associated with restructuring the charity to reduce costs in the event of income not meeting forecast. This fund would be used primarily to meet the cost of reducing the workforce.

Catastrophic event

Through a risk management process, we seek to rationalise, quantify and avoid catastrophic events occurring and insure against those risks that cannot be removed. However, there is always the potential of an event occurring. Clearly it is impossible to quantify a catastrophic event, but it is prudent to designate a reserve fund to mitigate the impact or to aid recovery should such an event occur. Therefore, designated funds are held for catastrophic events.

Hospice modernization

A reserve has been designated for hospice improvements and modernisations, this is in recognition of the age of the hospice buildings and the need to invest in capital projects to ensure that we are providing the 'hospice of the future' environment. There is an internal plan and expectation that we will be able to gain additional funds for this work through Grants and Trusts.

20 STATEMENT OF FUNDS (CONTINUED)

Retail growth

There is a need in the coming years to invest in the retail shops of the hospice, this is for refurbishment, health and safety improvements, expansion and business development initiatives to increase the contribution to the main charity from the retail sector. Each shop will be reviewed on an individual basis and will have its own business case for using the reserves.

Purpose Alignment

As the Charity works through their new purpose alignment, this fund has been designated to ensure that we can continue the development of care services, the increase of the Hospices reach and sustainable charitable income growth. This will ensure that the new purpose is in place through all areas of the charity.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
Group - 2024			
Tangible fixed assets	5,053,975	407,185	5,461,160
Investment property	409,999	-	409,999
Fixed Asset Investments	7,249,536	-	7,249,536
Current Assets	3,554,457	113,246	3,667,703
Creditors due within one year	(833,156)	-	(833,156)
	15,434,811	520,431	15,955,242

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
Group - 2023			
Tangible fixed assets	4,765,626	45,600	4,811,226
Investment property	409,999	-	409,999
Fixed Asset Investments	7,719,316	-	7,719,316
Current Assets	3,366,186	184,143	3,550,329
Creditors due within one year	(799,006)	-	(799,006)
	15,462,121	229,743	15,691,864

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
Charity - 2024			
Tangible fixed assets	5,053,975	407,185	5,461,160
Investment property	409,999	-	409,999
Fixed Asset Investments	7,249,540	-	7,249,540
Current Assets	3,409,815	113,246	3,523,061
Creditors due within one year	(694,950)	-	(694,950)
	15,428,379	520,431	15,948,810

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
Charity - 2023			
Tangible fixed assets	4,765,626	45,600	4,811,226
Investment property	409,999	-	409,999
Fixed Asset Investments	7,719,320	-	7,719,320
Current Assets	3,195,760	184,143	3,379,903
Creditors due within one year	(635,016)	-	(635,016)
	15,455,689	229,743	15,685,432

22 EMPLOYEE BENEFIT OBLIGATIONS

The charity makes contributions to certain pension schemes for its employees. The assets of these schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the fund amounted to £625,244 (2023: £557,231).

23 LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.24	31.12.23
	£	£
Within one year	289,655	387,097
Between one and five years	1,077,357	832,378
In more than five years	396,233	341,583
	<u>1,763,245</u>	<u>1,561,058</u>

During the year operating lease charges were recognised as rent expenses in the following; the cost of operating charity shops £424,454 (2023: £349,406); hospice activities undertaken directly £25,000 (2023: 28,760); and support costs £17,059 (2023: 19,062).

During the year operating lease charges were recognised as vehicle lease expenses in the following; cost of operating charity shops £18,723 (2023; £13,352) and hospice activities undertaken directly £7,806 (2023: £7,755).

24 FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

At 31 December 2024 the group and charity had committed to £Nil (2023: £217,388) in ongoing capital projects in addition to restricted assets committed to.

25 RELATED PARTY TRANSACTIONS

During the year, group staff made donations to the charity and played the lottery run by Hope House (Lottery) Limited. Transactions were conducted under normal commercial terms. A policy exists to prohibit the directors of Hope House (Lottery) Limited, trustees of Hope House Children's Hospices, and senior managers and employees directly involved in the running of the lottery, from taking part in the lottery.

Trustees and their related companies made donations to the charity totalling £98,393 (2023: £165,773). Hope House (Trading) Limited and Hope House (Lottery) Limited are 100% owned subsidiaries of Hope House Children's Hospices. All the profits of the subsidiaries for the period have been distributed by Gift Aid to the charity. The profits for the year totalled £46,143 (2023: £33,249) for Hope House (Trading) Limited and £1,417,850 (2023:£1,283,700) for Hope House (Lottery) Limited. Hope House (Trading) Limited charged £5,533 (2023: £4,255) to Hope House Children's Hospices for operating the Gift Aid scheme on the sale of new goods.

At 31st December 2023 the charity was owed £18,761 (2023: £804) by Hope House (Trading) Limited and owed £30,235 (2023: was owed £143,847) by Hope House (Lottery) Limited.

26 ULTIMATE CONTROLLING PARTY

The charity is controlled by the trustees.