

The Kirkwood

Annual Report  
2021–22

**THE  
KIRKWOOD  
SUPPORT  
LIFE.®**



# CONSOLIDATED FINANCIAL STATEMENTS

Year Ended  
31 March 2022

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# Trustees' Annual Report including Directors' Report & Strategic Report

Year Ended  
31 March 2022

## Objectives & Activities

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the Annual Report and Financial Statements of the charity.

Kirkwood Hospice is a registered charity, number 512987 and a company limited by guarantee in England, number 1645888. The organisation was incorporated as a company limited by guarantee on 23 June 1982 and registered as a charity on 3 August 1982. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

## Objects

The objects for which Kirkwood Hospice (referred to as The Kirkwood in this report) is established are to promote the relief of sickness by such charitable means as are considered appropriate; the governing documents define those charitable means in furtherance of those aims. There have been no material changes to these objectives since the last Annual Report.

## Mission Statement

The Kirkwood provides specialist care free of charge to adults in Kirklees with advanced progressive illnesses at any time from diagnosis to the end of life, respecting their individual needs and wishes. Care and support is also provided to their family members, friends and carers, both during the illness and after death. Through education, training and partnership with others The Kirkwood improves care for everyone affected by a life limiting illness.

## Public benefit and eligibility criteria

The Charity Commission's general guidance on public benefit has been used for reference when compiling this report and in planning future developments and activities.

The eligibility for our services is described below; in addition, The Kirkwood has further developed eligibility criteria for accessing In-patient care at its facility in Huddersfield.

Common eligibility criteria were agreed in the year 2000 by all providers of specialist palliative care (SPC) working in Calderdale and Kirklees in order to ensure equity of access. These criteria reflect those adopted by other SPC services across Yorkshire.

### The three elements of the eligibility criteria are:

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That patients should have active, progressive and potentially life-threatening illness

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That patients should have unresolved, complex needs that cannot be met by their current caring team, or it is anticipated that the patient will develop such needs in the near future. These needs may be psychological, social, spiritual or physical.

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Patients must have been recently assessed by a member of a Specialist Palliative Care team

## Services provided

The Kirkwood helps local people, with an illness that cannot be cured, to live well and die with dignity and where possible in a place of their choice. We provide services, free of charge, to people in Kirklees affected by life limiting illnesses that focus on their quality of life. We provide care for people affected by any life limiting illness, including cancer, neurological conditions, advanced heart and lung diseases and dementia. We also provide services to patients' families, carers and anyone that is important to them.

Most patients use a combination of services as their illness progresses and draw on the specialist skills of The Kirkwood's multi-professional team, who work in collaboration with colleagues in all care settings to provide continuity of care. The Kirkwood also provide programmes of education to other professionals who are caring for people with life limiting illnesses. In this way we seek to improve the quality of care experienced by all people who have palliative care needs.

Our services are continuously monitored, evaluated and reviewed to meet the changing needs of patients and their families. All our services are delivered taking into account all current national guidance and quality statements and standards.

The Kirkwood is regulated by the Care Quality Commission 'CQC'). An inspection was carried out in September 2016 and the rating awarded was 'Good' overall with an 'Outstanding' rating for Care. More information is available on the CQC website (<http://www.cqc.org.uk/location/1-115011048>). During this reporting period the CQC completed a routine monitoring assessment with The Kirkwood and the rating has remained in place, underlining the standard of care that we provide.

## Overview of impact for beneficiaries

The Kirkwood exist to support anyone affected by any life limiting illness, every step of the way. A total of 2,111 people benefited from the services that we deliver in the period reported. The total number of individuals who have been supported by the charity is slightly increased on the prior accounting period.

The Kirkwood are here to offer the right advice and support for anyone affected by a life limiting illness at any point from diagnosis. Our Specialist Advice Line Service handled 15,101 calls in the last year and 1,690 patients accessed some form of care and support from one or more of our services, including The Kirkwood's Support & Therapy Team and Community Specialist Palliative Care Team.

We place great importance on the experience of those people who use our services and value their feedback. The Covid-19 pandemic made obtaining service user feedback particularly challenging during the reporting period. Despite this, we have still acted on feedback from our service users and their families, both formal and informal, and have collated regular feedback from cards and letters received. This has been shared primarily within the relevant clinical departments. Following an easing of restrictions, we have begun to re-instate our approach to securing more quantitative feedback from the people who use our services.

The Kirkwood help people to maintain and improve their quality of life so that

they can focus on what is really important to them. We support patients, their families and those that care about them. A total of 2,111 people affected by a life limiting illness were supported to achieve the best possible quality of life possible.

In this twelve-month period, The Kirkwood cared for a total of 900 local people that died. Our team of experienced professionals provide the best care for people at the very end of their lives, meeting their individual needs as far as possible and helping the vast majority (92%) to avoid dying in hospital.

Services are provided to support patients' family members and carers through illness and in bereavement. We help these people with their emotional and psychological needs and support them in finding ways to cope more effectively following bereavement and move forward in life. 444 individuals accessed this support through The Kirkwood Counselling Team.

For many people, supporting The Kirkwood following the death of a loved one is an important way to pay tribute to their life and honour their memory. This support comes in many forms, and from all parts of our community. In this period, over 27,616 local people made a contribution to make sure that everyone affected by a life limiting condition has access to the very best care and support.

## Individual services providing public benefit

The coronavirus pandemic continued to have an impact on the services that The Kirkwood deliver. We are pleased to report that unlike other health and social care settings (including Hospices), our clinical services continued to operate uninterrupted throughout the period. Our in-patient beds were always available, although we had to run with a maximum of 14 through the period to continue to manage the risk of infection. The workforce was deployed flexibly to meet the needs of as many patients and families as possible through a comprehensive range of services. Our continued response to the situation was successful in ensuring that we continued to support the most vulnerable people in our local communities. We have continued to step forward and invest in our services even though our ability to generate income has been significantly curtailed.

Our response to the pandemic has meant that we have changed the way that people have been supported by The Kirkwood this year and this has resulted in differences from activity in previous years. These are explained in the following section.

**The Kirkwood In-Patient care:**

For patients requiring care and support to address complex problems associated with life limiting illness, and sometimes care at the end of life.

	5 Year Average	2020/2021	2021/2022	Increase/Decrease
Patients per In-Patient bed	14.1	12.25	16.86	+38%
In-Patient Admissions	276	204	244	+20%
Discharges from In-Patient Unit	93	67	81	+21%
Patients cared for at the end of life	183	129	155	-21%
Out of hours admissions	N/A	59	71	+20%

The pandemic continued to have an effect on admissions to the In-Patient Unit for two main reasons: the restrictions on patient visiting has reduced the inclination of patients to consent to admission and in addition; the infection prevention and control measures that were necessary reduced the number of beds available for admissions throughout the year from 16 to a maximum of 14.

**The Kirkwood Counselling Team:**

This team provides psychological support and counselling for patients and families during illness and in bereavement. The team's work includes support for children affected by the death or life limiting illness of a close family member.

	2020/2021	2021/2022	Increase/Decrease
Total number of service users	412	444	+8%
Pre-bereavement support – contacts	881	1,064	+21%
Counselling sessions for bereaved people	751	530	-29%

The Kirkwood's team of fifteen community nurses provide care in every town and village across Kirklees. The Kirkwood Nurses are Clinical Nurse Specialists that provide advice on all aspects of pain and symptom control and provide emotional and psychological support for patients at home and in care homes. The Kirkwood Nurses also provide advice to health care professionals and deliver education and training on all aspects of palliative care.

**The Kirkwood Community Palliative Care Team:**

The team includes Dementia Specialist Nurses and Nurses that are focussed on the needs of people who are living in care homes.

	5 Year Average	2020/2021	2021/2022	Increase/Decrease
Total Patients supported by The Kirkwood Nurses	1,247	1,300	1,249	-4%
Home visits carried out by The Kirkwood Nurses	2,453	917	1,555	+70%
'Virtual consultations' carried out by The Kirkwood Nurses	N/A	1,495	422	-72%
Phone calls to patients, families, or professionals	13,938	18,421	13,809	-25%

This vital service was adapted to maximise the number of patients that were supported during the pandemic and has continued to operate with a mix of face-to-face visits and virtual consultations. More home visits were possible this year as the risk of coronavirus eased, although virtual visits consultations remain a valuable way to support patients and families. The total number of patients accessing the service was 4% lower than the previous year but consistent with the 5-year average.

**The Kirkwood Advice Line**

The Kirkwood provide a specialist palliative care advice line 24 hours a day all year round.

	5 Year Average	2020/2021	2021/2022	Increase/Decrease
Total calls responded to	14,871	19,271	15,101	-22%
Total calls outside normal hours	1,306	1,549	1,292	-17%

Health Care professionals, patients and their carers contact The Kirkwood for expert advice at any time of the day or night, seven days a week. The aim of this service is to enable more patients to be supported and, as their illness progresses, to have their needs met as soon and as fully as possible. As the clinical model stabilised following the earlier phases of the pandemic, the numbers of people being supported by the advice line has returned to a lower level. However, the number of calls responded to overall remains higher than the average over the last five years.

**The Kirkwood Support and Therapy Service – Drop In:**

Patients and those that care for them can access support and advice from our team by accessing our Drop-In service at the Dalton site or at the Rosewood Centre in Dewsbury. During the reporting period The Kirkwood did not provide a drop-in service due to the restrictions of the ongoing coronavirus pandemic.

**The Kirkwood Support and Therapy Service – Scheduled Attendances**

Following assessment, patients and carers access a range of services that have been designed to meet their individual needs; from complimentary therapies to education programmes focussed on the needs of people living with different illnesses.

As in the previous section, The Kirkwood Support and Therapy service was delivered in a very different way through the pandemic. Bespoke sessions have been delivered within GP practices and other community locations to target patients that otherwise may not have accessed services. This approach is emerging and, as yet, The Kirkwood has not built a reliable data process to capture the number of individuals benefiting. We continue to deliver virtual sessions as a way to improve access for a range of service users.

**Education and Training:**

The Kirkwood provide Palliative and End of Life Care training for other health and social care agencies – and also for visiting students. Specific programmes have been developed for professionals who work for Locala Community Partnerships CIC, Calderdale and Huddersfield NHS Foundation Trust and a number of GP Practices. These programmes aim to improve the delivery of palliative and end of life care in all settings. A total of 148 professionals from other organisations accessed training and education provided by The Kirkwood during the period.

	2020/ 2021	2021/ 2022	Increase/ Decrease
External professionals accessing training	139	148	+6%

**Volunteering:**

All aspects of The Kirkwood’s services are underpinned by the various support service teams and volunteers who provide help at the main hospice site in Dalton, in the Fundraising Department and in The Kirkwood shops. Earlier in the pandemic, we had to ask many of our volunteers to step down their contribution because their roles could not continue at the time. The Kirkwood worked hard to keep all our volunteers connected with the charity, and during 2021-22 we were delighted to welcome our volunteers back. During the year there were 985 volunteers connected with The Kirkwood, which is an increase on pre-pandemic levels. While some volunteer roles at the hospice site in Dalton returned, we have not captured the hours they contributed, which we will reinstate this data collection in 2022-23. The Kirkwood shops benefited from 63,790 hours of volunteer time, which is nearly three quarters of pre-pandemic levels (within a smaller retail network).

**Strategic plan:**

The Kirkwood are, and always has been, a movement of people who are passionate about ensuring the best care is available to local people as they approach the end of their life. We are not a building or a place; the expert care we deliver is available in every street, village and town in our local area.

We are as determined as ever that people who are living with a life limiting illness should have the support, they need to live the best quality life they can.

Our strategy remains ambitious; we want to double the number of people we provide care and support to within this decade, and to become the ‘go to’ charity for anyone that is affected in any way by a life limiting illness in Kirklees.

Our refreshed strategic plan sets out what we are prioritising until 2025, with our main focus being to build The Kirkwood Movement to ensure no one needs to face a life limiting illness alone.

We will always prioritise providing the best care for patients, carers and families while we try to increase the resources available to us to achieve our ambitions.

**We will build The Kirkwood movement so that:**

We increase the support available to us from across our community – increasing both income and the time donated through volunteering

We support more people affected by life limiting illness

To achieve this, The Kirkwood Movement needs to become more diverse in every aspect of who we are and what we do. We must work harder to make sure that everyone who could benefit from our help knows how The Kirkwood can support them. We must make sure that people in our local community feel that The Kirkwood’s care is for them, irrespective of their personal identity, beliefs or heritage. In this way we will reduce any inequalities experienced by people in our community who have not benefited from our charity’s work in a way that they could have.

	2020/ 2021	2021/ 2022	Increase/ Decrease
Total number of The Kirkwood Volunteers	864	985	+14%
Hours of volunteering supporting services at Dalton	-	-	-
Hours of volunteering supporting The Kirkwood Shops	23,182	63,790	+175%

As we come out of the coronavirus pandemic and confirm the way we operate in the new world, the way The Kirkwood Support Life will be more accessible, more flexible, more agile than ever before.

### The Kirkwood - Purpose

The Kirkwood support anyone that is affected by any life limiting illness every step of the way

### The Kirkwood - Vision

We want to see a world where all people affected by life limiting illnesses have free access to the best possible care where and when they need it and everyone works together to ensure these people are supported to live the best quality life they can.

### The Kirkwood Strategic Aims

Double the number of people supported by The Kirkwood at the very end of their lives

Become the 'Go To' charity that supports people as they approach the end of their lives

Increase giving from people and business to meet future demand

Increase funding from NHS to facilitate The Kirkwood future services

### How we are doing

The table below is a summary of our progress against key measures since the end of the last decade (2019–20), these measures at a high level track the achievement of our strategic aims:

#### The size of The Kirkwood Movement

Increased to 27,616 people from 22,500

↑ +23%

#### The Numbers of people cared for at the end of life

Increased to 900 from 686

↑ +31%

#### The total number of patients supported by The Kirkwood

Increased to 1,690 from 1,505

↑ +12%

#### The Kirkwood's spend on its charitable purpose

Increased to £6m from £5.3m

↑ +13%

#### The Kirkwood's income generation contribution

Increased to £1.9m from £1.75m

↑ +9%

### Strategic Plan – 2021–22 Achievements

The coronavirus pandemic continued to have a major impact on The Kirkwood during 2021–22, Throughout the year, we continued to be guided by the principles we established at the outset of the crisis; to focus on keeping patients and families, employees and volunteers, and the future of our charity safe.

Despite the challenges, we continued to make good progress towards our strategic priorities. Here are some highlights:

#### Continuing to provide the best care for our patients and families

We deployed our workforce flexibly across community services, care co-ordination and in-patient care. As a result, we provided care to more people than ever before

We continued to provide In-Patient care for our patients uninterrupted throughout the period, which was the result of a diligent focus on infection prevention and control from our whole team

Development roles were introduced into The Kirkwood's Community Nursing Team to ensure we are able to develop the Specialist Nurses we need in our team in the future

Our approach to providing support to people living in care homes has developed with the introduction of Clinical Nurse Specialists within our team who are dedicated to improving access to our services for these people

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The quality of The Kirkwood's services has been recognised nationally. As an example, our approach to the management of falls within our In-Patient Unit was showcased at the Hospice UK conference in November 2021 and our lead Elspeth McLoughlin now contributes to an expert panel which champions best practice within the sector

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The Kirkwood received confirmation from the CQC that they did not need to inspect services during the year. Following a review of all data the CQC has about The Kirkwood's services, they confirmed that our rating ('GOOD') remains the same

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### **Build The Kirkwood Movement**

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In 2021 The Kirkwood were formally awarded the Queen's Award for Voluntary Service. The award is the equivalent of the MBE for Volunteer Groups and is a fantastic acknowledgement of the contribution of our many volunteers over the last 40 plus years. An award ceremony was held in September 2021 where the Lord Lieutenant for West Yorkshire met volunteers past and present to present and celebrate the award

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Our partnership with Primary Care Networks has developed this year, particularly with the networks in The Mast, The Valleys and Spen areas. The Kirkwood has delivered new services in these areas focussed on the needs of their patients

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We have continued to develop the stories of people within The Kirkwood Movement. Stories are one of the best devices to help communication and engage with important stakeholders and we now have a broader range of stories than ever before to help us illustrate our relevance and the value of what we do

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The Kirkwood Business Movement has been successfully launched and the membership has grown through the year. The launch attracted coverage in both online and print media and the concept of Support Life Champions has been attractive to the new members as they realise how they can help people close to their business access care and support from The Kirkwood

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The Kirkwood remain well placed within the Kirklees health and social care system. There is now an Integrated Care Partnership in Kirklees as a key delivery / decision making body for Health and Social Care services in the borough. The Kirkwood were within a select 'design group' that developed the model for the area and now has a place within the partnership

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This year saw the publication of The Kirkwood's first Impact Report. The report was presented at a new-style stakeholder event to coincide with the Annual General Meeting. 75 members of The Kirkwood movement attended from across employees, volunteers, supporters and partners to receive presentations and video stories illustrating the impact of our charity. We plan to grow this event to be even more inclusive in future years

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### **More diverse in every aspect of who we are and what we do**

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The Kirkwood have established an Equality, Diversity and Inclusion steering group, which will oversee our journey to improvement in this area. The group has commissioned 'Investors in Diversity' to help us set a benchmark on which we will take action to improve. A key focus for the future will be addressing the inequalities that are experienced in the parts of our community that benefit less than others from our services

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The Kirkwood's Support and Therapy service has delivered bespoke services within different communities within Kirklees. This has been in partnership with our partner Primary Care Networks and has been targeted at underserved communities and illnesses other than cancer

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Our work with the Spen Health and Wellbeing Network has been focussed on building nursing capacity within the area to help the GP practices in that area to identify more patients who could benefit from The Kirkwood's services. We have invested in more nursing capacity to support our partners and people in this community. More people from Cleckheaton and surrounding areas are accessing services as a result

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The Kirkwood has established the Kirklees Palliative Care Partnership, which is inclusive of all providers of palliative care within the local area. The focus of this partnership is to drive improvement in how services are delivered so that more people experience the best care available at the end of their life. The partnership has identified the reduction of health inequalities as a priority for improvement in future years

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During the year we successfully launched the 'Snowdogs Support Life, Kirklees' Art Trail. The event is a mass public participation art trail that we will hold in September 2022. The art trail will be the first of its kind in West Yorkshire. While the event will raise vital funds for the charity, its primary purpose is to engage the whole community in a fun event that raises awareness of how The Kirkwood Support Life in Kirklees and connects us with new people, communities and organisations

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### **The Kirkwood is more agile, more flexible and more accessible**

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We made an excellent start to rebuilding The Kirkwood community following the earlier phases of the pandemic. The 'No Going Back' programme put us in the best place to implement 'blended working' across the charity; combining the use of technology and remote working to work efficiently and the reinstatement of premises to allow for colleagues to work safely and interact with their colleagues more effectively

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Patients, families and professionals now have access to the 'Handy Guide to How The Kirkwood Can Help' a brief document that describes what we do succinctly and effectively. The feedback about the guide has been very positive and will help more people access care when they need it

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A huge amount of work has been completed to introduce new competency frameworks for all roles across the organisation and a new Personal Development Review (PDR) process. This is an important development for

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The Kirkwood as it will be critical to driving organisational performance and the development of our workforce.

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Digital technology and processes will be key to enhancing the services we deliver and our engagement with all stakeholders in the future. Work started during 2021-22 to develop The Kirkwood's 'digital world'. We have worked with an external partner, Sector3, to complete 2 phases of work that will provide the platform for developing a Digital Strategy and implementation plan

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The Retail and Trading team have collectively hit an increased target for this financial year, which was around 50% growth in contribution against the last Covid-unaffected year and is evidence that the Retail Strategy is delivering for The Kirkwood. This includes significant growth in our eCommerce activity, which is planned to grow even further in future years, and the opening of a second furniture store in Mirfield

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The Kirkwood is operating in an increasingly challenging and dynamic environment. In the aftermath of the coronavirus pandemic and the current global environment there are significant uncertainties facing the charity.

Nevertheless, our ambition remains the same – and the strategy we developed to take us to 2025 remains even more relevant.

We refreshed our brand identity in 2020 and we will continue to activate the brand to connect with different people and communities and build The Kirkwood Movement – both in terms of the people who can support our work and the patients and families that will benefit.

Funds that are available to charities will be under significant pressure over the coming years. We need to continue to work hard to communicate our relevance to local people and connect with people who have not been connected with us before. We need to reach people from different parts of our community and with different identities, creating a movement that is inclusive of all people in Kirklees, and reducing inequalities that some people face when they need care and support.

## Strategic Plan – 2021-22 Achievements

The way The Kirkwood works has changed during recent years has helped us to respond to the pandemic and to reach more people. We now need to retain the best of the changes we have implemented and seek to make further improvements. We want to become more flexible, more agile and more accessible than ever before so that we can achieve our aims.

### The Kirkwood's strategic objectives continue as follows:

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#### Strategic Priority A

Activate The Kirkwood Brand to Build The Kirkwood Movement

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#### Strategic Priority B

Become more diverse in every aspect of who we are and what we do

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#### Strategic Priority C

Become more flexible, agile and accessible than ever before

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### We will make progress through the following key initiatives:

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Implement The Kirkwood Referrals Hub to optimise input to patients and families from all The Kirkwood's services

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Hold a successful Art Trail to help us build The Kirkwood Movement and extend our reach into more diverse communities

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Further activation of the brand to build new connections and have a positive impact on referrals to The Kirkwood services

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Build on the success of the Kirklees Palliative Care Partnership and target improvements in health inequalities

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Formally launch the Equality Diversity and Inclusion steering group internally to engage employees and volunteers and determine how The Kirkwood will become more diverse

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Develop The Kirkwood Community Hub concept in a priority location in Kirklees with the involvement of all stakeholders

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Successfully implement the new PDR system and processes to support effective workforce development

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Develop The Kirkwood's Digital and Estates Strategies and associated operational plans

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Refine and embed our approach to change management through The Kirkwood Improvement Plan

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Continue to build our presence in the health and social care sector, in Kirklees and beyond, to negotiate a new deal with NHS partners

## Future developments and changes

## Review of Financial Activities

The Consolidated Statement of Financial Activities for the accounting period is detailed on page 36 of the financial statements. A summary of the financial results and the work of The Kirkwood is set out below.

## Summary of Financial Performance

The Trustees continue to monitor financial performance against budget as the primary key performance indicator.

Income for the accounting period increased from £7,837,988 for the year to 31 March 2021 to £8,861,868 for the year to 31 March 2022.

Expenditure for the accounting period increased from £8,438,958 for the year to 31 March 2021 to £8,816,820 for the year to 31 March 2022.

The surplus for the accounting period before taking into account gains and losses on investments amounted to £45,048 compared to last year's deficit of £600,971.

After taking into account the movement in year of realised and unrealised gains on investments of £138,037 the surplus is £183,085, compared to last year's surplus of £771,481 which included net gains on investments of £1,372,452. Further details are on page 36.

The Kirkwood has come through the second year of the pandemic with an operating surplus position, which is better than was anticipated. This has been made possible by maximising the assistance available. The overall financial position as at the year ended 31 March 2022 was a surplus of £183,085. It should be noted that the charity had planned a deficit budget for the year against which the outturn position was favourable.

## Income Generation

Total voluntary income was lower than budgeted expectations mainly due to adverse variances against targeted income for donated goods and legacy income. Donations and gifts represent a significant proportion of income, and the involvement of individual and corporate donors, charitable grant making trusts and supporters is greatly valued. Also, the generosity of those individuals who remembered The Kirkwood in their wills by leaving a legacy to the charity is recognised. In the year these legacies totalled £576,722.

## Resources Expended

Expenditure on employee salaries and fees remained within budgeted limits. Resources expended in total increased by £377,862 the comparison for the year ended 31st March 2021 was £379,971 (4.48%), the cost of the various services is shown at Note 6 to the Accounts.

## Developments targeted through use of Designated Funds

In previous years the Trustees have taken the decision to designate funds from the general reserve with the purpose of investing in projects and initiatives that serve the purpose of the charity and meet future strategic objectives.

## Designated Funds Update

## The Trustees have identified several principles that would guide the use of these funds:

The designated 'project' fund should be spent in line with the organisation's strategic objectives

There is a balance between the delivery of clinical services and income generation to ensure sustainability

A schedule be created and maintained from consultation to project plan implementation, to ensure timeliness of allocation of the fund

## Allocation made during 2021-22

### Care Co-ordination

**The development of a Care Co-ordination model is a key part of The Kirkwood's future strategy. The aim is that the service will:**

Enhance the 24/7 Specialist Palliative Care Advice Line to ensure that we have the capacity to meet demand.

Enable the Community Palliative Care Team to meet the needs of more people through proactively co-ordinating aspects of care that the team are involved with that do not require specialist resource.

Support joint commissioning work by creating a focus through which The Kirkwood works more actively with other providers who are supporting people at the very end of their lives.

As part of the 2017 budget process, trustees agreed to allocate £440k from the Designated Project Fund towards a two-year pilot of the Care Co-ordination model. This new service commenced in the July 2019. The service was evaluated in quarter 4 2020/21. The service evaluated well and trustees made the decision that the service will become part of the clinical services budget and expenditure after July 2021.

The amount expended from July 2019 to the 31st of March 2021 was £327,280. As projected the spend from April 2021 to the end of its pilot period in July 2021 was £49,175 meaning a total projected spend of £376,455 against the budget of £440,000. The remaining £63,545 will be un-allocated back into the Designated Project Fund as per The Kirkwood's Internal Financial Control Procedures, to ensure transparency with the treatment of the fund.

### Estates

**In 2018 the Board of Trustees approved the allocation of £125,000 to fund the following objectives:**

Additional car parking - to alleviate current car parking issues, accommodate existing flow and activity on the The Kirkwood main hospice site at Dalton.

Premises and Accommodation – to address current accommodation issues and create a more flexible space to allow for further development in the future.

This included £50,000 to fund the strategic resources to realise these aims

**During 2019/20 three opportunities related to the acquirement of property were funded by the designated project fund these were:**

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Empress Works (set up costs for 12 months) – accommodation for non-clinical teams to commence the remedial action needed to alleviate parking issues at the main Dalton Site.

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Furniture Store (set up costs only) – Investment in a furniture retail model located at premises on Wakefield Road, Moldgreen.

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Kirkburton Shop – purchase of property – The premises at Kirkburton also have additional accommodation on the 1st floor, once again to support the need for flexible working space. This opportunity was approved by the Trustees in August 2019.

**In February 2020, further priorities and use of the fund to support our strategic objectives were confirmed by trustees. These were determined as:**

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Evolving The Kirkwood Identity (Rebrand) - this includes signage at our retail premises and satellite sites

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IT Development – e-rostering system

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Workforce Planning – Pilot development roles within Clinical Services

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Retail Premises – future opportunities to own rather than lease retail units increasing our property portfolio where this demonstrates more effective value for money.

In addition, work would continue to scope and define developments needed to provide additional car parking and accommodation so that these can be progressed utilising the designated fund.

Due to the response needed to the coronavirus pandemic the e-rostering project was put on hold. During the accounting period, 2020/21 an opportunity to purchase The Kirkwood charity shop in Cleckheaton was presented and trustees made the decision to add this property to the charity's portfolio of properties. In addition, a second furniture store was secured and funds allocated for the set-up costs and rent costs for the first twelve months.

In quarter 4 of 2020/21, the charity received funding from the Clinical Commissioning Group (CCG) for future service development. At the Council meeting held in March 2021, Trustees approved that the £350,000 received from the CCG should be allocated to the Designated Project Fund.

During the budget setting process for 2021/22, the trustees approved investment in the development of IT to enable the organisation to move to a

more flexible and agile way of working. The response to the pandemic had provided opportunities to increase virtual ways of interacting with patients, supporters and the workforce. Further IT development opportunities had been scoped and evaluated during 2020/21 and it was agreed that more investment is required along with the costs of additional roles required to enable the smooth transition to more effective ways of working. Additionally, the trustees agreed to continue to fund the Care Coordination to July 2021, plus undertake further work on brand identity, workforce planning transformation and premises investment as planned during the reporting period.

As at the 31st March 2022 a total of £379,009, was expended as planned during the accounting period meaning the balance of the fund was £1.579 million. The fund was used for the following:

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Brand Activation including commencement of the work to renew The Kirkwood's shop fronts and The Kirkwood Art Sculpture Trail.

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Set up costs for two additional retail premises - the new Mirfield Furniture Store and Sandsmill warehouse

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IT, Digital and Estates Transformation

**Future allocation of the fund**

The plan is that a further £607k will be spent during 2022/23 leaving an anticipated balance of £971k as of 31st March 2023.

Planned use of the fund along with the depreciation costs means that the projected balance of the fund as at 31st March 2024 £769,114, however further depreciation costs for the property purchases of Kirkburton and Cleckheaton to 2069 and 2070 respectively reduce the balance available for future development to £697,730. The balance of the fund along with the current development projects are demonstrated in the table on the next page:



	Financial Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Property Dep'n beyond 2023/24			
<b>Total Funds Designated</b>		2,450,000										
Project Name	Allocation	Actual	Actual	Actual	Actual	Actual	Planned	Projected	Committed	Total	Balance	
<b>Projects Completed and Closed</b>												
Market Research	50,000	20,163	3,500	10,777	0					34,440	-15,560	
Care Co-ordination - 2 years	440,000			77,055	250,225	49,174				376,455	-63,545	
Strategic Development - 2019/20	50,000			50,000						50,000	0	
Strategic Development - 2020/21	50,000				50,000					50,000	0	
Empress House Rent (12 months only)	27,000			8,667	13,500					22,167	-4,833	
Empress House Running Costs (12 months only)	7,500				5,625					24,125	16,625	
Empress House Telecomms	5,000				0					0	-5,000	
Removal Costs	6,000			18,500	0					0	-6,000	
Moldgreen Furniture Store - Setting up costs (1 off) & Capital	20,000			18,264						18,264	-1,736	
<b>Total Funds Allocated - Projects now closed</b>		655,500										
<b>Projects - Ongoing</b>												
S1 Project (incl. depreciation)	288,590	29,072	124,561	49,279	7,084	2,059	1,705			213,760	-74,830	
Kirkburton Shop Purchase	110,000			2,275	2,275	2,275	2,275	2,276	102,420	113,796	3,796	
Brand Activation - Revenue	70,000				66,547	63,279	39,241			169,067	99,067	
Brand Activation - Capital - Snowdogs	200,000					56,131				56,131	-143,869	
Brand Activation - Shopfronts Phase 1 21/22						9,570				9,570	9,750	
Brand Activation - Shopfronts Phase 2 22/23							35,232			35,232	35,232	
Cleckheaton shop (inc. £22k Birstall)	120,000				2,485	2,485	2,485	2,485	114,310	124,250	124,250	
Purchase Mirfield Furniture Shop - Set up & 12 Months Rent	102,000				31,986	70,014				102,000	4,250	
Sandsmill Warehouse - Rent and Set up costs	80,000					14,517	65,483			80,000	0	
CCG Grant - future service development	-350,000				-350,000					-350,000	0	
Roles to support Transformation	235,980					64,416	118,663	52,901		235,980	0	
Digital Transformation	25,000					7,420	17,580			25,000	0	
Estates Transition Costs - Agile Working	25,000					14,975	10,025			25,000	0	
IT Transition Costs - IT Proposal - Revenue	110,192					22,694	87,498			110,192	0	
IT Transition Costs - IT Proposal - Capital 21/22												
<b>Proposed Further Spend</b>												
Drain Survey and Compliance (1 off) 2020/21	10,000						10,000			10,000	0	
E Rostering System (IPU, Catering, Doms and Retail) 2020/21	20,000						20,000			20,000	0	
Referrals Hub Pilot (2 years)	252,000						127,580	125,907		253,487	1,487	
New Superstore (Set up and 12 months Rent)	57,700						39,200	18,500		57,700	0	
New Retail Premises - Paddock (Set up and 12 months Rent)	31,000						31,000			31,000	0	
<b>Total Closed, Ongoing and Planned</b>		2,042,962										
<b>Remaining balance</b>		407,038										
Bal at 31st March 2024 less future commitment				552,384			Starting Balance as at 1st April 2022			1,579,150		
Amount unallocated as project has closed				80,049			Projected Spend as at 31/03/24			810,036		
<b>Total</b>				632,433			Balance remaining as at 31/03/24			<b>769,114</b>		
Amount to potentially unallocate				65,297								
Balance of fund available for Service Development				697,730			<b>Future commitments beyond March 2024</b>			102,420		
							Kirkburton to 2069			114,310		
							Cleckheaton to 2070			<b>216,730</b>		
							<b>Total Commitment</b>					

## Reserves

The reserves increased in value by £183,085 as shown on page 36 of the financial statements. The Executive Management Team actively monitors the level of reserves held on a monthly basis when reviewing the monthly management accounts. This information is subsequently reported into Finance and Resources Committee on a quarterly basis. Forecasts of income and expenditure are made annually, the aim being to balance expenditure and income, and the object being to ensure our services are sustainable into the future. Contingency plans exist in the event that reserves fall below, or exceed, the estimated reserve requirements.

The Finance and Resources Committee reviews the reserves policy each year. In conducting the review, they take into consideration best practice and the guidance issued by the Charity Commission. The review is reported to the Council of Management at its next meeting and recorded in the minutes.

In December 2018, the Finance and Resources Committee agreed to move to a more 'scientific' calculation based upon a risk assessment of income and expenditure. The new calculation also takes into consideration legal and statutory obligations along with the aims and objectives of The Kirkwood's Finance Strategy. This means that there has been a shift from a minimum level of reserves defined by months of expenditure to a target figure expressed in absolute terms.

The reserves calculation is made up of four elements as follows:

**Risk** – covers the impact of the occurrence of risks identified in income and expenditure risk assessments. This will mean identifying, quantifying and assigning likelihoods to potential decreases in performance against short term (Budget) and long-term financial plans (Long Range Forecast)

**Contingency** – covers the impact of unquantifiable risks and unanticipated or unlikely events (events that cannot be predicted and therefore cannot be assessed as likely, but would have a major impact if they were to occur)

**Service Development** – covers designated funds to support strategic development. This part of the calculation will include known future commitments and service development not yet approved but in the Long-Range Forecast pipeline (stated separately)

**Capital** – covers liquidity, statutory payments and commitments. The liquidity calculation includes statutory costs that the charity would have to incur in the event of closure, such as employee costs. However, the costs associated with insolvency are not restricted to redundancy. For example, there might be contractual relationships that incur penalties such as leases upon which there are early exit charges and leased asset costs. The Kirkwood should also consider that the charity is morally obliged to complete all activities currently being undertaken. This would apply to patients and service users already known to the charity.

Taking the above factors into consideration the proposed reserves target is set at the time of budgeting, monitored quarterly and measured and confirmed at year end.

The table below is provided to demonstrate how the reserves calculations compare with actual year end results. It shows the target level which has been calculated using the long-range financial forecast to include the potential for service development. It also demonstrates the estimated statutory commitments.

	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022
Target Level	11,321,858	11,652,557	12,215,938	11,498,556
Actual	12,440,421	11,141,075	11,895,209	12,078,294
Variance	1,118,563	-511,482	-320,729	579,738
But				
Target level of which would be statutory commitments	6,681,891	6,824,150	7,562,595	7,294,682
Actual	12,440,421	11,141,075	11,895,209	12,078,294
Variance	5,758,530	4,316,925	4,332,614	4,783,612

Reserves Calculation

The year-end results have demonstrated that The Kirkwood is operating within the target level at which it would need to take action to cover its statutory commitments (£7,294,685). Furthermore, the actual balance sheet versus the overall target level (£12,078,294 v £11,498,556) evidences that the charity is operating within its reserves policy. It should be noted that the overall target includes the costs of service development plans over a three-year period using the Long-Range Financial Forecast (LRF). This assists with the decision-making process to inform the prioritisation of the strategic aims and objectives of the charity when budgeting.

## Structure, governance and management

The governing body of The Kirkwood is the Council of Management whose members are elected by the Company's Members. As at 31 March 2022, the Council of Management comprised eleven Trustee members who meet 4 times per annum. There are committees dealing with Clinical Governance, Finance and Resources, Income Generation and Marketing, Nominations, Risk & Audit, Remuneration and other specific referrals from Council of Management. The salary of the Chief Executive is determined by the Trustees with advice from the Remuneration Committee on the Chief Executive appointment and by periodic reviews conducted by the Chair of Trustees. The salaries of the other members of the Executive Management Team are determined by the Chief Executive.

The directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year were as follows:

Mr B F Ainsworth OBE

Mrs C Black

Miss L A Chapman

Mrs J Davies

Mrs K S Hinchliff

Mrs C M Quinn

Prof P W Roberts OBE

Mr P R Sands

Mr P L Scovell

Mrs E Armistead

Resigned June 2022

Dr I R Wilson

The charity holds an indemnity insurance policy on behalf of its trustees, details of the cost is included in note 11 to the financial statements.

The Council Members (who are also directors of The Kirkwood for the purposes of company law) are responsible for preparing the Trustees Annual Report, including the 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.

## Trustee responsibilities

In preparing these financial statements, the Trustees are required to:

select suitable accounting policies and then apply them consistently.

observe the methods and principles in the Charities SORP 2015 (FRS 102)

make judgements and 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 company will continue in operation.

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

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

## Equal opportunities

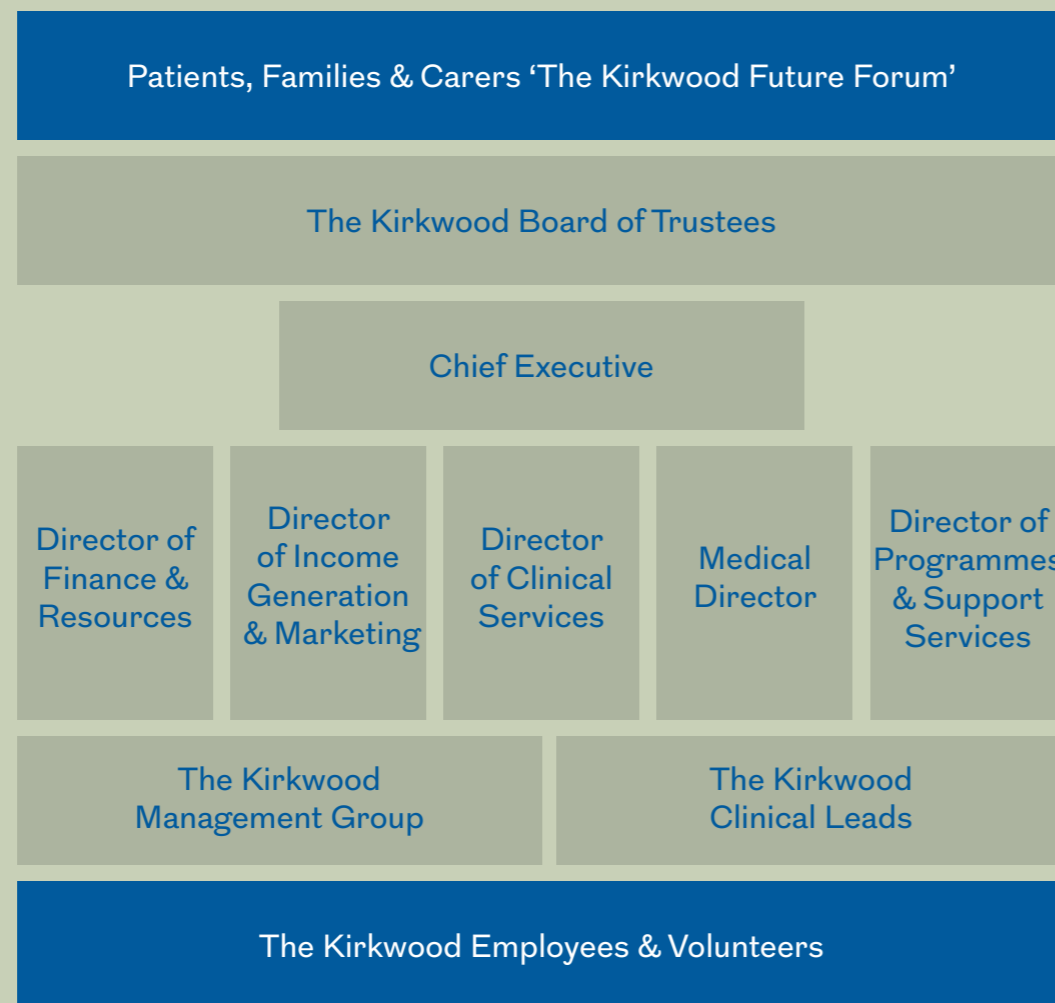
The Kirkwood is committed to ensuring equality of opportunity for its employees. The Kirkwood believes that selection and promotion should be based solely on ability to meet the requirements of the post. The aim is to provide equal access to jobs and training, and to ensure that all employees enjoy fully the benefits of working for the organisation. In particular, The Kirkwood does not discriminate on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sex, religion or belief.

## Planning consultation and communication

The Executive Management Team comprises the Chief Executive, the Director of Finance and Resources, the Director of Clinical Services, the Medical Director, the Director of Income Generation and Marketing and the Director of Programmes and Support Services. The Executive Team meet weekly and work within overall strategic objectives and policy guidelines determined by the Trustees. The Chair of the Trustees meets regularly with the Chief Executive and the Executive Management Team attend Council and Committee meetings.

All management initiatives involve employees and volunteers in forward planning and there are regular meetings involving The Kirkwood Management Group, Clinical Leads and all clinical and non-clinical teams. Employee

views are sought when operational developments and changes to terms and conditions of employment are contemplated. Employees contribute to and regularly receive internal communications and other memoranda to inform them of developments and changes.



### Fundraising Standards

The Kirkwood works hard to meet the requirements of the Fundraising Regulator (of which it is a paid-up member), and to follow these standards when planning or undertaking fundraising initiatives. This includes supporting donors who are planning or undertaking their own fundraising initiatives to ensure that these are conducted ethically, and within the law. In addition, donations received are processed following the charity's comprehensive Internal Financial Control Procedures in line with Charity Commission guidance.

All income generation activities are undertaken within charity law, Charity Commission guidelines, the Fundraising Regulator's Codes of Practice, HMRC rules, The Gambling Act, local licensing laws, Advertising Standards Authority rules and Data Protection legislation (this list is not exhaustive). The Kirkwood never sells donor data to a third party, or engages in data swapping, and a statement to this effect is included in our fundraising literature. However, The Kirkwood sees compliance with legislation and codes of practice as a minimum standard, not an aspiration, and we strive to ensure our supporter care is of the same high standard as the care we offer our beneficiaries. We hope our supporters enjoy and value their interactions with the charity, look forward to receiving information from us, and know we

view them as partners in the care we can offer. We work towards these goals throughout all of our income generating activity.

There was a low number of complaints received with regards to our fundraising activities. During this accounting period there was 1 complaint in relation to income generation activities. Employees and volunteers are empowered to deal positively and respectfully with any complaint. The charity has an effective, open and accessible Complaints Policy. We have systems and procedures which promote learning within the organisation and aim to maintain the excellent reputation of the charity. All complaints are audited on a quarterly basis.

The charity does not condone and never employs aggressive fundraising tactics. All contact with donors is always conducted in a caring and professional manner, in line with The Kirkwood's values.




Support groups are branches who undertake their own fundraising initiatives in support of The Kirkwood. They have their own committees, whose accounts are incorporated into The Kirkwood's annual accounts

### Risk Management

The Trustees and Executive Management Team have assessed and regularly review the major risks to which The Kirkwood is exposed, particularly those related to finances, operation and provision of The Kirkwood services. In addition, the Risk and Audit Committee has oversight of the risk management framework and meets on a quarterly basis.

The Executive Management Team has compiled a risk register, which is reviewed every month. The Trustees and Executive Management Team are satisfied that the systems are in place to mitigate exposure to these risks. The following table details the risks that were reported in the last annual report and how the risk rating has changed within the accounting period 2021/22



Key Risk at the end of Accounting period 2020–21	Change in risk rating during 2021–22	Commentary
1. Reduction in Fundraising non-statutory income		<p>The Covid-19 pandemic continued to impact The Kirkwood's ability to raise income from some sources during the year. Our events programme was hit particularly hard, along with our income from individual donations. Income from gifts in wills was also affected as the probate system experienced severe delays.</p> <p>These challenges were mitigated by recovery in other areas, however further improvement is needed if we are to sustainably build The Kirkwood's services to support everyone who would benefit locally. Whilst the outlook remains challenging and the economic impact of the pandemic remains – for The Kirkwood and for local people -we were encouraged that thousands of local people remain committed to supporting the most vulnerable through donations and fundraising.</p>
2. There is inadequate workforce numbers, skills or behaviour to deliver The Kirkwood's objectives		<p>The Kirkwood have successfully managed a period where there was a gap in continuity of clinical leadership. A comprehensive action plan was executed involving securing additional resources from outside the charity and members of the team taking on extended responsibilities.</p> <p>This allowed us to ensure we could take the time required to make good appointments to the vacant roles including the Director of Clinical Services.</p> <p>We have taken the opportunity to review the existing clinical leadership structure to ensure it is most effective to deliver our priorities and future aims. Changes will be implemented in 2022-23.</p> <p>The concerns around workforce remain in other areas which is why the overall score for this strategic risk is unchanged. A full explanation is provided in the next table.</p>
3. Unauthorised access to electronic confidential information - including Cyber Attack		<p>In recent years, The Kirkwood have developed the use of digital technology and systems to transform the way we work and deliver benefit to our stakeholders.</p> <p>The Kirkwood continue to work to strengthen cyber security and our Information Governance framework. We have completed more work this year to retain the government approved Cyber Essentials accreditation. The next step is to achieve the Cyber Essentials Plus accreditation and we are working with external partners to plan this.</p>

Key Risk at the end of Accounting period 2020–21	Change in risk rating during 2021–22	Commentary
		<p>We have carried out improvements to our IT infrastructure this year including installation of new Firewalls.</p> <p>However, the threat of unauthorised access remains as we live in a sophisticated world where the protection and threats that exist continue to develop and change.</p>
4. Impact of changes of government/ structure of government impacting on policy related to Palliative and or End of Life care		<p>Government policy and the planning and delivery structures within Health and Social care affect how Palliative and End of Life care services are commissioned and therefore the funding that is available to The Kirkwood to provide our services to local people.</p> <p>During the pandemic the government and local NHS partners have made more funding available to ensure that our services remained available. This has confirmed the importance of Palliative and End of Life care at a national and regional level.</p> <p>The Kirkwood weathered Covid, due to this support, and the insurance cover we had in place to protect retail income. The Kirkwood continues to work with NHS partners to move us nearer to the average level of funding for hospices across West Yorkshire.</p> <p>The Kirkwood are engaged at all levels of planning and interface with Health and social care partners and are part of the new Kirklees Health and Care Partnership, which has been created following the introduction of the new Health and Care Act 2022.</p> <p>The Kirkwood also represents all Hospices in West Yorkshire within the regional Integrated Care Board and the Chief Executive has been invited to sit on the Long-Term Conditions and Personalisation Board within this structure.</p> <p>The Health and Care Act 2022 has also introduced a specific responsibility for Integrated Care Boards to ensure there is a plan to meet the palliative care needs of their populations. This places Palliative and End of Life Care on a stronger footing than it has been in the past.</p>
5. Internal Management Resources not sufficient to meet strategic objectives		<p>We have successfully managed the transition to a new Director of Clinical Services and The Kirkwood's Leadership structure has been refreshed. A process has begun to restate the clinical leadership structure.</p> <p>The wider management team within The Kirkwood has been</p>

Key Risk at the end of Accounting period 2020–21	Change in risk rating during 2021–22	Commentary
		strengthened by the introduction of a Business Improvement Manager, who will be responsible for facilitating service development, quality improvement and change management across the charity.  Management resources remain an issue for The Kirkwood. As we come out of the last phase of the pandemic, we have seen some changes in key personnel within a challenging employment marketplace. Further work is required to strengthen leadership resources in all areas and to confirm succession plans for Director and management roles.

6. General Infectious outbreak affecting staff and patients.



The safety of our patients and those important to them, the safety of our workforce and the safety of our charity, were the main priorities for The Kirkwood as we continued to manage the impact of the coronavirus pandemic through this year.

The approach we have taken has meant that we have been able to maintain our care and support to patients throughout, including our in-patient services, which we have not had to close at any point.

There have been many changes introduced to working practices, which we will retain as we reintroduce ways of working that remain the most effective.

While the future remains uncertain regarding income generation and operating costs for The Kirkwood, we have successfully come through the pandemic with the support of all our colleagues and partners.

The key risks for the organisation at present are as follows:

Key Risk at the end of Accounting period 2021-22	Commentary
1. Failure to achieve required Fundraising / non-statutory income	Income generation continues to be a challenge as we move into the next phase of the coronavirus pandemic. The Kirkwood are dealing with an uncertain marketplace recovering from Covid, and income streams have yet to return to previous levels overall. New opportunities have arisen during the pandemic, but these are set alongside changes in supporter and consumer behaviour which make some of The Kirkwood's previously successful activity more unpredictable, at least in the short term. The most significant of these is the success of large participation fundraising events because of a reluctance of people to gather in order to fundraise or attend events.  The Kirkwood have had to always adapt to a rapidly changing landscape in order to maximise available income for care. That said, our Income Generation and Marketing Strategies remain relevant to maximising income in the future. The implementation of a refreshed identity for The Kirkwood has had the desired impact on important income streams such as community fundraising and lottery. We believe that this, combined with continuous improvement in supporter and donor stewardship will maximise income opportunities in the future.
2. There is inadequate workforce numbers, skills or behaviour to ensure the success of The Kirkwood	Critical to The Kirkwood's success is our ability to recruit, develop and retain talent effectively to enable the pursuit of our charity's objectives. The Kirkwood have experienced increased workforce turnover as the country moves on from the coronavirus pandemic, in particular within corporate roles. In addition, the employment marketplace is challenging in relation to The Kirkwood's workforce roles across most of our areas of delivery, including clinical services, income generation and corporate services.  The availability of candidates for key roles has become more difficult and wage inflation is already affecting the expectations of the right calibre candidates when they are available. We believe this will continue for the foreseeable future. Our plans include the development of The Kirkwood's employment package to ensure that we remain an attractive employer in this difficult environment. We will invest in workforce collaborations with other partners, including the development of new rotational roles, to ensure we can attract the right quality candidates in future.
3. The Kirkwood's costs are greater than budgeted	As presented above there are significant inflationary pressures on wages in all the employment markets in which The Kirkwood operate. We expect this to continue in the coming years. This means that there is significant uncertainty regarding pay rates and how they might change in the short as well as the medium term.  At the time of writing, inflation in the UK is predicted to hit 11% during 2022 due to a unique set of circumstances which have caused inflationary pressures, and which are unprecedented in recent times. Some cost pressures are unique to the

**Key Risk at the end of Accounting period 2021-22**

**Commentary**

healthcare setting (e.g. pharmaceuticals) and some are more general, such as the cost of utilities.

The cost of living crisis is dynamic and unpredictable, and as a result forecasting income and expenditure is problematic at best. The Kirkwood continue to update risk assessments relating to key areas of expenditure, which in turn updates our reserves requirement. This is used to inform investment decisions and demonstrates the need to adapt the charity's future financial model

4. Internal Management Resources not sufficient to meet strategic objectives

In recent years we have sought to optimise the capacity and capability of management within The Kirkwood to ensure we successfully achieve our priorities. The Kirkwood's strategy is ambitious and requires effective management and leadership resource to ensure our success.

The last two years have been handled successfully; despite the challenges the pandemic has brought. However, at the same time there have been some changes in the organisation's leadership. We have had a change in the role of Director of Clinical Services and we have reshaped some of the portfolios within the wider management team. The management resource is in a period of transition and more development work is required to ensure that all management resources are functioning effectively.

5. Unauthorised access to electronic confidential information - including Cyber Attack

In recent years, our internal structure and framework has been strengthened to protect against cyber incidents (i.e. unauthorised or inappropriate access to our network) that negatively impact the confidentiality, integrity and availability of The Kirkwood's information systems and data.

The IT work programme has continued to achieve improved levels of data security and compliance. The Information Governance framework remains a priority across the charity, including the policies and training that support these aims, and The Kirkwood maintains accreditation with 'Cyber Essentials' (a government-backed certification scheme).

We continue to look at ways we can further mitigate this risk in future.

**The Kirkwood Governance Structure**

The Trustees wish to record their sincere appreciation of The Kirkwood's highly committed employees and thank the large number of volunteers who generously give their time, skills and expertise. As has been reported earlier in this document, the Trustees were proud that our volunteers received the Queen's Award for Voluntary services, which is well deserved recognition of the contribution to public life of many thousands of local people over the past 40 years. We celebrated with representatives of our volunteers in our gardens last September and we want to take this opportunity to thank all our volunteers, past and present, for all they have done to help The Kirkwood Support Life. This includes our community support groups that continue to raise essential funds through challenging times.

The Trustees would also like to express their gratitude to The Kirkwood's many supporters, who have helped the charity through donations, fundraising and bequests during the year. The Kirkwood movement is made up of tens of thousands of people and we thank them for responding to our requests and appeals throughout what has been a very challenging year.

We would like to thank both Huddersfield Town Football Club for their continued financial support for our vital services via the Pedal for Pounds 10.5 charity event, and The Haley Family Charitable Trust for continuing to support the development of our services in Cleckheaton and the Spen Valley. We are grateful to the Trustees of the Denby Dale Community Library for their support to rebuild our coffee shop business.

We are grateful again to Her Majesty's government for the additional funding that has been accessed by Hospices across the country during the coronavirus pandemic. The additional funding was significant and fitting acknowledgement of the role that Hospices play in providing vital care and support to the most vulnerable in our communities at a time when our income continued to be reduced affected by the restrictions placed on society within the pandemic.

All new employees and volunteers who have joined the team are warmly welcomed. Our sincere thanks go to those who have left in the past year for the contribution they have made to improve care for all those who rely on The Kirkwood's services. In particular, we acknowledge the contribution made by Sarah Shaw who moved to a new role with The University of Huddersfield in 2021 after working with The Kirkwood for over 21 years, Sarah has made a huge difference to our patients and families over these years, no more so than in the last 8 years when she led our clinical services to provide high quality care to more people in our local area. We will always be grateful to Sarah for what she has done for The Kirkwood.

We would like to thank Joanne Keeling, The Kirkwood's Community Services Manager for stepping up to ensure continuity of leadership until a new Director of Clinical Services was appointed after Sarah Shaw left. In addition, we want to congratulate Jo on receiving the prestigious title of Queen's Nurse this year, which is well deserved recognition for Joanne's commitment to nursing over many years and her relentless focus on what matters to patients and families.

Both Joanne Martin, PA to the Executive Management Team and Maxine Wallis, Manager of The Kirkwood's Huddersfield shop have hit a significant milestone this year, having worked with The Kirkwood for 20 years. We would like to thank them both for their continued commitment and hard work, which makes a huge difference to our patients and families.

Our thoughts writing this report are with much loved colleagues that have died in the last 12 months. John Lloyd and John Denham both played a huge role in the development of The Kirkwood for many years. We are indebted to them for their contribution to the success of The Kirkwood. They were both a valued part of our movement and will be missed by everyone connected with The Kirkwood.

The Kirkwood benefited from help received from many organisations during the last year, including Local GPs and Primary Care Networks, our Local Clinical Commissioning Groups (CCGs), Kirklees Council, Locala Community Partnerships CIC, Local Care Direct, Calderdale and Huddersfield NHS Foundation Trust, The Mid Yorkshire Hospitals NHS Trust, Age UK Calderdale and Kirklees, Carers Count, Yorkshire Ambulance Service NHS Trust and South West Yorkshire Partnership NHS Foundation Trust.

The Trustees are very grateful for the continuing relationship with the University of Huddersfield. Our thanks are also due to all of the local businesses and Charitable Trusts who have generously helped to fund a whole range of facilities and services for patients and their families. The Trustees are also grateful for the generous treatment received from many of their professional advisers.

## Financial Instruments

The Kirkwood's principal financial instruments comprise bank balances, an investment portfolio, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the operations of the charity and to finance The Kirkwood's Services.

Due to the nature of the financial instruments used by the charity, there is no exposure to price risk other than that which relates to the investment portfolio. To manage this risk, the Finance and Resources Committee (Investment Sub-Committee) meet at quarterly intervals with the investment managers to review performance in the light of the investment management policy. The Kirkwood's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by maintaining credit balances. The Kirkwood makes use of money market facilities when funds are available.

Trade debtors are managed by the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts falling due.

## Charity References and Administrative Details

**Charity Registration Number**  
512987

**Company Registration Number**  
1645888

### Trustees

Mr B F Ainsworth OBE  
Mrs C Black  
Miss L A Chapman  
Mrs J Davies  
Ms E Armistead  
Mrs K S Hinchliff  
Mrs C M Quinn  
Prof. P W Roberts OBE  
Mr P R Sands  
Mr P L Scovell  
Dr I Wilson

### Life President

Mr D N Stocks

### Chairman

Mr B F Ainsworth OBE

### Company Secretary and Registered Office

Mrs P E Wade DChA FMAAT  
21 Albany Road  
Dalton  
Huddersfield  
HD5 9UY

### Chief Executive

Mr M Crowther BA(Hons) PgDip

### Director of Finance and Resources

Mrs P E Wade DChA FMAAT

### Director of Clinical Services (Resigned August 2021)

Mrs S Shaw RNDip Adult Nursing  
BSc(Hons) MSc

### Director of Clinical Services (Commenced March 2022)

Mrs L Hall-Bentley RGN/RSCN

### Medical Director

Dr S Oxberry MBChB BSc(Hons)  
FRCP PhD

### Director of Income Generation and Marketing

Mr D H Batty BA(Hons), MInstF

### Director of Programme & Support Services (Commenced April 2021)

Mr R Hitchcock

### Auditor

Wheawill & Sudworth Limited  
Chartered Accountants  
35 Westgate  
Huddersfield  
HD1 1PA

### Solicitors

Schofield Sweeney  
30 Market Street  
Huddersfield  
HD1 2HG

### Honorary Chartered Surveyors

Bramleys  
14 St George's Square  
Huddersfield  
HD1 1JF

### Principal Bankers

Lloyds TSB Bank plc  
1 Westgate  
Huddersfield  
HD1 2DN

### Investment Managers

Investec Wealth & Investment Limited  
Quayside House  
Canal Wharf  
Leeds  
LS11 5PU

**Disclosure of  
information to the  
auditors**

**We, the Trustees, being directors of the company, who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:**

There is no relevant audit information of which the company's auditors are unaware; and

We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board

Mr B F Ainsworth OBE  
**Chair of Trustees**

September 2022



# Independent Auditor's Report to the members of The Kirkwood

Year Ended  
31 March 2022

## Independent Auditor's Report to the members of The Kirkwood

We have audited the financial statements of Kirkwood Hospice (the parent charitable company) and its subsidiary (the group) for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and the Parent Charitable Company Balance Sheet, the Consolidated and the Parent Charitable Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

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have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

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have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

## Other information

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

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

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the parent charitable company's financial statements are not in agreement with the accounting records and returns; or

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certain disclosures of directors' remuneration specified by law are not made; or

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we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as

a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance within this Act.

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

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

We gained an understanding of the legal and regulatory framework applicable to the group and parent charitable company considered the risk of acts by Management and the Trustees which were contrary to applicable laws and regulations, including fraud. We made enquiries of the Trustees to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

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agreement of the financial statement disclosures to underlying supporting documentation;

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enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;

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review of minutes of the Trustees' Board meetings throughout the year; and

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obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

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Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

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Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the groups or charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

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Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e., gives a true and fair view).

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Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's

report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

35 Westgate  
Huddersfield  
HD1 1PA  
September 2022

**David Butterworth (Senior Statutory Auditor)**

For and on behalf of Wheawill & Sudworth Limited, Statutory Auditor



# Consolidated Statement of Financial Activities including income and expenditure account

Year Ended  
31 March 2022

**Consolidated Statement  
of Financial Activities**  
(including income and  
expenditure account)

**Year Ended  
31 March 2022**

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 61 to 85 form part of these financial statements.

	Note	2022					2021	
		Unrestricted funds	Designated Fixed Asset fund	Designated Project fund	Restricted funds	Endowment funds	Total	Total
		£	£	£	£	£	£	£
<b>Income and endowments from</b>								
Donations and legacies	2	1,200,179	—	—	133,778	—	1,333,957	1,386,058
Charitable activities	3	2,351,039	—	—	1,042,526	—	3,393,565	3,794,521
Other trading activities	4	4,007,192	—	—	—	—	4,007,192	2,242,946
Other income	4	10,575	—	—	—	—	10,575	297,283
Investments	5	116,579	—	—	—	—	116,579	117,180
<b>Total</b>		<b>7,685,564</b>	<b>—</b>	<b>—</b>	<b>1,176,304</b>	<b>—</b>	<b>8,861,868</b>	<b>7,837,988</b>
<b>Expenditure on</b>								
Raising funds	6	(2,637,598)	—	(218,271)	—	—	(2,855,869)	(2,327,079)
Charitable activities	6	(4,622,761)	—	(160,738)	(1,144,400)	—	(5,927,899)	(5,667,876)
Other	6	(33,052)	—	—	—	—	(33,052)	(444,004)
<b>Total expenditure</b>		<b>(7,293,411)</b>	<b>—</b>	<b>(379,009)</b>	<b>(1,144,400)</b>	<b>—</b>	<b>(8,816,820)</b>	<b>(8,438,959)</b>
Net gains/(losses) on investments		138,037	—	—	—	—	138,037	1,372,452
<b>Net income/(expenditure)</b>		<b>530,191</b>	<b>—</b>	<b>(379,009)</b>	<b>31,904</b>	<b>—</b>	<b>183,085</b>	<b>771,481</b>
Tax payable	8	—	—	—	—	—	—	(17,347)
<b>Net income/(expenditure) for the financial year</b>		<b>530,191</b>	<b>—</b>	<b>(379,009)</b>	<b>31,904</b>	<b>—</b>	<b>183,085</b>	<b>754,134</b>
Transfers between funds	22	141,010	(139,850)	—	—	(1,160)	—	—
<b>Net movement in funds</b>		<b>671,201</b>	<b>(139,850)</b>	<b>—</b>	<b>31,904</b>	<b>(1,160)</b>	<b>183,085</b>	<b>—</b>
<b>Reconciliation of funds</b>								
Total funds brought forward	22	5,567,768	4,299,775	1,958,160	62,943	6,563	11,895,209	11,141,075
<b>Total funds carried forward</b>	<b>22</b>	<b>6,238,969</b>	<b>4,159,925</b>	<b>1,579,151</b>	<b>94,847</b>	<b>5,403</b>	<b>12,078,294</b>	<b>11,895,209</b>

**THE  
KIRKWOOD  
SUPPORT  
LIFE.**

**SUPPORT  
LIFE**

**Consolidated Statement  
of Financial Activities**  
(including income and  
expenditure account)

**Year Ended  
31 March 2021**

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 61 to 85 form part of these financial statements.

**2021**

	Note	Unrestricted funds £	Designated Fixed Asset fund £	Designated Project fund £	Restricted funds £	Endowment funds £	Total £
<b>Income and endowments from</b>							
Donations and legacies	2	1,246,969	—	—	139,089	—	1,386,058
Charitable activities	3	2,276,868	—	350,000	1,167,653	—	3,794,521
Other trading activities	4	2,242,946	—	—	—	—	2,242,946
Other income	4	297,283	—	—	—	—	297,283
Investments	5	117,180	—	—	—	—	117,180
<b>Total</b>		<b>6,181,246</b>	<b>—</b>	<b>350,000</b>	<b>1,306,742</b>	<b>—</b>	<b>7,837,988</b>
<b>Expenditure on</b>							
Raising funds	6	(2,327,079)	—	—	—	—	(2,327,079)
Charitable activities	6	(4,013,457)	—	(429,727)	(1,224,692)	—	(5,667,876)
Other	6	(444,004)	—	—	—	—	(444,004)
<b>Total expenditure</b>		<b>(6,784,540)</b>	<b>—</b>	<b>(429,727)</b>	<b>(1,224,692)</b>	<b>—</b>	<b>(8,438,959)</b>
Net gains/(losses) on investments		1,371,692	—	—	—	760	1,372,452
Net income/(expenditure)		768,398	—	(79,727)	82,050	760	771,481
Tax payable		(17,347)	—	—	—	—	(17,347)
Net income/(expenditure) for the financial year		751,051	—	(79,727)	82,050	760	754,134
Transfers between funds		76,517	34,569	—	(111,086)	—	—
Net movement in funds		827,568	34,569	(79,727)	(29,036)	760	754,134
<b>Reconciliation of funds</b>							
Total funds brought forward	22	4,740,200	4,265,206	2,037,887	91,979	5,803	11,141,075
<b>Total funds carried forward</b>		<b>5,567,768</b>	<b>4,299,775</b>	<b>1,958,160</b>	<b>62,943</b>	<b>6,563</b>	<b>11,895,209</b>



# Consolidated Balance Sheet

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# Charity Balance Sheet

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# Consolidated Statement of Cash Flows

Year Ended  
31 March 2022

**Consolidated  
Balance Sheet  
Year Ended 31  
March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	4,159,925	4,299,775
Investments	15	5,610,819	6,020,239
<b>Total</b>		<b>9,770,744</b>	<b>10,320,014</b>
<b>Current assets</b>			
Stocks	16	69,297	72,552
Debtors	17	1,744,212	1,168,292
Cash at bank and in hand		1,308,725	1,262,202
<b>Total</b>		<b>3,122,234</b>	<b>2,503,046</b>
Creditors: amounts falling due within one year	18	(770,549)	(877,851)
<b>Net current assets</b>		<b>2,351,685</b>	<b>1,625,195</b>
<b>Total assets less current liabilities</b>		<b>12,122,429</b>	<b>11,945,209</b>
Creditors: amounts due after more than one year	19	(44,135)	(50,000)
<b>Net assets</b>		<b>12,078,294</b>	<b>11,895,209</b>
<b>Charity Funds</b>			
Endowment funds - Permanent endowment	22	5,403	6,563
Restricted funds	22	94,847	62,943
Unrestricted funds	22	11,798,044	11,825,703
<b>Total charity funds</b>		<b>12,078,294</b>	<b>11,895,209</b>

The financial statements were approved and authorised for issue by the Board on 9th September 2022.

Signed on behalf of the board of Trustees

**Mr B F Ainsworth**      **Miss L A Chapman**  
Chairman                      Trustee

Company registration number: 1645888

The notes on pages 61 to 85 form part of these financial statements.

**Charity  
Balance Sheet  
Year Ended 31  
March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	4,159,925	4,299,775
Investments	15	5,610,919	6,020,339
<b>Total</b>		<b>9,770,844</b>	<b>10,320,114</b>
<b>Current assets</b>			
Stocks	16	9,304	9,294
Debtors	17	1,796,466	1,164,124
Cash at bank and in hand		1,178,502	1,184,332
<b>Total</b>		<b>2,984,274</b>	<b>2,357,750</b>
Creditors: amounts falling due within one year	18	(750,777)	(856,608)
<b>Net current assets</b>		<b>2,233,497</b>	<b>1,501,142</b>
<b>Total assets less current liabilities</b>		<b>12,004,340</b>	<b>11,821,256</b>
<b>Charity Funds</b>			
Endowment funds - Permanent endowment	22	5,403	6,563
Restricted funds	22	94,847	62,943
Unrestricted funds	22	11,904,090	11,751,750
<b>Total charity funds</b>		<b>12,004,340</b>	<b>11,821,256</b>

The financial statements were approved and authorised for issue by the Board on 9th September 2022.

Signed on behalf of the board of Trustees

**Mr B F Ainsworth**      **Miss L A Chapman**  
Chairman                      Trustee

Company registration number: 1645888

The notes on pages 61 to 85 form part of these financial statements.

**Consolidated  
Statement of  
Cash Flows  
Year Ended  
31 March 2022**

	Note	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Cash flow from operating activities	24	(535,627)	(663,023)	(587,980)	(664,725)
<b>Net cash flow from operating activities</b>		<b>(535,627)</b>	<b>(663,023)</b>	<b>(587,980)</b>	<b>(664,725)</b>
Cash flow from investing activities					
Payments to acquire tangible fixed assets		(79,436)	(256,374)	(79,436)	(256,374)
Payments to acquire investments		(252,102)	(751,373)	(252,102)	(751,373)
Receipts from sales of investments		797,109	1,560,950	797,109	1,560,950
Interest received		36	144	36	144
Dividends received		116,543	117,036	116,543	117,036
<b>Net cash flow from investing activities</b>		<b>582,150</b>	<b>670,383</b>	<b>582,150</b>	<b>670,383</b>
Cash flow from financing activities					
Receipts from bank loan		–	50,000	–	–
<b>Net cash flow from financing activities</b>		<b>–</b>	<b>50,000</b>	<b>–</b>	<b>–</b>
<b>Net increase in cash and cash equivalents</b>		<b>46,523</b>	<b>57,360</b>	<b>(5,830)</b>	<b>5,658</b>
Cash and cash equivalents at 1 April 2021		1,262,202	1,204,842	1,184,332	1,178,674
<b>Cash and cash equivalents at 31 March 2022</b>		<b>1,308,725</b>	<b>1,262,202</b>	<b>1,178,502</b>	<b>1,184,332</b>
Cash and cash equivalents consists of					
Cash at bank and in hand		879,873	1,060,071	749,650	982,201
Short term deposits		428,852	202,131	428,852	202,131
<b>Cash and cash equivalents at 31 March 2022</b>		<b>1,308,725</b>	<b>1,262,202</b>	<b>1,178,502</b>	<b>1,184,332</b>

The notes on pages 58 to 81 form part of these financial statements.

# Notes to the Consolidated Financial Statements

**Year Ended  
31 March 2022**

**(a) General information and basis of preparation**

Kirkwood Hospice is a registered charitable company limited by guarantee in the United Kingdom. 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. The address of the registered office is given in the charity information on page 29 of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, the functional currency of the charity, and rounded to the nearest £. The consolidated statement of financial activities includes the results of the wholly owned subsidiary which operates trading activities in support of the charity.

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis as the subsidiary and parent have identical purpose. No separate statement of financial activities has been presented for the charity as permitted by Section 408 of the Companies Act 2006 and Section 24 of the SORP (FRS102).

The charity has availed itself of Paragraph 4 (1) of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Funds**

Unrestricted funds 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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

Endowment funds represent those assets which must be held permanently by the charity, principally fixed asset investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

The SORP (FRS102) requires gifts in kind donated for resale to be included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold and the income recognised within 'Income from other trading activities'. The Trustees believe that it is impractical to recognise the goods at fair value upon receipt and have therefore continued to include the income when the goods are sold.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacy income is recognised when the charity is entitled to the income. Under SORP (FRS 102) it is the earlier of the charity being notified of an impending distribution or the legacy being received or if, before receipt, there is sufficient evidence that it is probable that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability. When the charity has received notification of a legacy but it is not possible to measure the amount expected the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives grants in respect of its charitable activities. Income from grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest when the amount can be measured reliably.

Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

#### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the cost of commercial trading and their associated support costs;
- Expenditure on charitable activities includes the cost of running and maintaining the hospice along with other costs undertaken to further the purpose of the charity and their associated support costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### **(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads and other overheads have been allocated pro rata to staff cost basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of promoting the charitable activities of the charity.

The analysis of these costs is included in note 7.

#### **(f) Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are capitalised at cost (or deemed cost). Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	No depreciation provided
Freehold buildings	2% Straight line
Shop fittings	The lower of the life of the lease or 5 years
Furniture, furnishings and equipment	20% Straight line
Computer equipment	33⅓% Straight line
Motor vehicles	20% Straight line

#### **(g) Investments**

Investments are recognised initially at year end fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment. Investments in subsidiaries are measured at cost less impairment.

#### **(h) Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### **(i) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### (j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### (k) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

#### (l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. The charity also contributes towards a defined benefit plan for the benefit of its qualifying employees. The scheme is held separately from the charity and administered by the National Health Service Pension Scheme. The charge to the Statement of Financial Activities represents the contributions payable by the charity to the two schemes in accordance with the Charity SORP (FRS102). Further details are provided in note 23.

#### (m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### (n) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The charity's business activities together with the factors likely to affect its future performance and development are detailed in the Strategic Report. It is the view of the Trustees that the charity is well placed to manage its business risks successfully. This is evidenced in the financial statements, cash flow and liquidity position as stated in this annual report. In addition, the charity has robust policies and procedures for managing its reserves and its financial risk management objectives. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore believe that the preparation of the financial statements on the going concern basis is appropriate.

The directors have considered the impact of the Covid-19 pandemic on the company. Whilst acknowledging that its operations will continue to be affected during 2022/23, the directors believe they have put suitable measures in place to ensure that the company will continue to operate and develop its activities going forward. The directors therefore believe that the preparation of the financial statements on the going concern basis is appropriate.

### 2. Income from donations and legacies

	2022 £	2021 £
Donation	757,235	749,908
Legacies	576,722	636,150
<b>Total</b>	<b>1,333,957</b>	<b>1,351,013</b>

Income from donations and legacies was £1,333,957 (2021: £1,386,058) of which £1,200,179 (2021: £1,246,969) was attributable to unrestricted funds and £133,778 (2021: £139,089) to restricted funds.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of these are in the annual report. In accordance with FRS 102 and the charity SORP (FRS 102) the economic contribution of general volunteers is not recognised in the accounts.

### 3. Income from charitable activities

	2022 £	2021 £
Donation	3,369,803	3,775,241
Legacies	23,762	19,280
<b>Total</b>	<b>3,393,565</b>	<b>3,794,521</b>

Income from charitable activities was £3,794,521 (2020: £2,068,735) of which £2,626,868 (2020: £1,993,051) was attributable to unrestricted funds and £1,167,653 (2020: £75,684) was attributable to restricted funds.

#### 4. Income from other trading activities and other income

	2022 £	2021 £
Income from other trading activities		
Fundraising events	652,624	460,590
Lottery	780,639	733,264
Shop income	2,573,929	1,049,092
<b>Total</b>	<b>4,007,192</b>	<b>2,242,946</b>

Income from other trading activities was £4,007,192 (2021: £2,242,946) all of which was attributable to unrestricted funds.

#### Other Income

	2022 £	2021 £
Other income		
Coronavirus Job Retention Scheme	10,575	297,283
<b>Total</b>	<b>10,575</b>	<b>297,283</b>

Other income of £10,576 (2021: £297,283) was all attributable to unrestricted funds.

#### 5. Income from investments

	2022 £	2021 £
Income from investments		
Investment Income	116,543	117,036
Interest	36	144
<b>Total</b>	<b>116,579</b>	<b>117,180</b>

Income from investments was £116,579 (2021: £117,180) all of which was attributable to unrestricted funds.

#### 6. Analysis of expenditure

	Staff Costs 2022 £	Other Costs 2022 £	Depreciation 2022 £	Support Costs 2022 £	Total 2022 £
<b>Raising Funds</b>					
Merchandising	1,238,425	632,188	10,246	13,601	1,894,460
Lottery	78,638	223,440	—	2,767	304,845
Fundraising	336,233	144,095	—	152,946	633,274
Investment	—	—	—	23,290	23,290
<b>Total</b>	<b>1,653,296</b>	<b>999,723</b>	<b>10,246</b>	<b>192,604</b>	<b>2,855,869</b>
<b>Charitable activities</b>					
In-Patient care	2,545,526	142,298	29,343	1,031,295	3,748,562
Support & Therapy Centre	190,421	10,605	(8,283)	80,441	273,184
Community Palliative Care	899,225	12,425	—	361,704	1,273,354
Family Care Team	192,601	5,832	—	79,950	278,383
Information & education	211,692	13,665	—	129,060	354,417
<b>Total</b>	<b>4,039,465</b>	<b>184,825</b>	<b>21,060</b>	<b>1,682,549</b>	<b>5,927,899</b>
<b>Other expenditure</b>					
	33,052	—	—	—	33,052
<b>Total</b>	<b>33,052</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>33,052</b>
<b>Support costs</b>					
Personnel & volunteers	199,550	84,113	(1,357)	(282,306)	—
Finance & information	174,950	36,879	—	(211,829)	—
Projects & administration	537,726	538,978	179,432	(1,256,136)	—
<b>Total Support Costs</b>	<b>912,226</b>	<b>659,970</b>	<b>178,075</b>	<b>(1,750,271)</b>	<b>—</b>
<b>Total Resources Expended</b>	<b>6,638,040</b>	<b>1,844,518</b>	<b>209,381</b>	<b>135,128</b>	<b>8,816,820</b>

Expenditure on raising funds was £2,855,869 (2021: £2,327,079) all of which was attributable to unrestricted funds. Expenditure on charitable activities was £5,927,899 (2021: £5,667,876) of which £1,144,400 (2021: £1,224,692) was attributable to restricted funds and £4,793,745 (2021: £4,443,184) was attributable to unrestricted funds. Other expenditure of £33,052 (2021: £444,004) was staffing costs relating to employees furloughed under the Job Retention Scheme.

## 6. Analysis of expenditure (continued)

	Staff Costs 2021	Other Costs 2021	Depreciation 2021	Support Costs 2021	Total 2021
	£	£	£	£	£
<b>Raising Funds</b>					
Merchandising	812,651	584,244	9,861	4,757	1,411,513
Lottery	47,721	191,070	—	2,993	241,784
Fundraising	361,733	89,440	—	197,521	648,694
Investment	—	—	—	25,088	25,088
<b>Total</b>	<b>1,222,105</b>	<b>864,754</b>	<b>9,861</b>	<b>230,359</b>	<b>2,327,079</b>
<b>Charitable activities</b>					
In-Patient care	2,536,658	131,985	31,668	1,083,461	3,783,772
Support & Therapy Centre	233,400	1,487	—	103,879	338,766
Community Palliative Care	641,862	20,994	—	273,445	936,301
Family Care Team	229,833	3,879	—	100,536	334,248
Information & education	179,154	11,483	—	84,152	274,789
<b>Total</b>	<b>3,820,907</b>	<b>169,827</b>	<b>31,668</b>	<b>1,645,474</b>	<b>5,667,876</b>
<b>Other expenditure</b>					
	444,004	—	—	—	444,004
<b>Total</b>	<b>444,004</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>444,004</b>
<b>Support costs</b>					
Personnel & volunteers	201,017	65,957	—	(266,975)	—
Finance & information	168,701	27,419	—	(196,120)	—
Projects & administration	747,325	390,499	176,577	(1,314,400)	—
<b>Total Support Costs</b>	<b>1,117,043</b>	<b>483,875</b>	<b>176,577</b>	<b>(1,777,495)</b>	<b>—</b>
<b>Total Resources Expended</b>	<b>6,604,059</b>	<b>1,518,456</b>	<b>218,105</b>	<b>98,338</b>	<b>8,438,958</b>

## 7. Allocation of support costs

	Personnel & Volunteers 2022	Finance & information 2022	Projects & Administration 2022	Total 2022
	£	£	£	£
Raising funds	21,693	16,277	96,523	134,493
In-Patient care	164,229	123,230	730,747	1,018,205
Support & Therapy Centre	12,285	9,218	54,665	76,168
Community Palliative Care Team	58,015	43,532	258,141	359,688
Family Care Team	12,426	9,324	55,290	77,040
Information and education	13,658	10,248	60,771	84,677
<b>Total</b>	<b>282,306</b>	<b>211,829</b>	<b>1,256,137</b>	<b>1,750,271</b>
	Personnel & Volunteers 2021	Finance & information 2021	Projects & Administration 2021	Total 2021
	£	£	£	£
Raising funds	23,342	17,145	114,912	155,399
In-Patient care	161,746	118,819	796,327	1,076,892
Support & Therapy Centre	14,882	10,933	73,271	99,086
Community Palliative Care Team	40,927	30,065	201,498	272,490
Family Care Team	14,655	10,766	72,151	97,572
Information and education	11,423	8,392	56,241	76,056
<b>Total</b>	<b>266,975</b>	<b>196,120</b>	<b>1,314,400</b>	<b>1,777,495</b>

## 8. Tax charge

	2022	2021
	£	£
On activities of subsidiary company	—	17,347

All of the above charge is attributable to unrestricted funds.

## 9. Investment management costs

	2022	2021
	£	£
Investment manager fees	21,176	23,219

All of the above costs are attributable to unrestricted funds and included within raising funds costs.

## 10. Audit fees

	2022 £	2021 £
Fees payable to the charity's auditor for audit	12,500	12,500
Fees payable to the charity's auditor for other services	1,000	1,000

All of the above costs are attributable to unrestricted funds and included within support costs. Included within the audit fee is £2,000 (2021: £2,000) for the audit of the subsidiary.

## 11. Net income/ (expenditure) for the year

Net income/(expenditure) is stated after charging / (crediting):	2022 £	2021 £
Depreciation of tangible fixed assets	219,286	221,804
Operating lease rentals	305,274	294,708
Trustees indemnity insurance	1,340	891
Net (gains)/losses on fair value movement of investments	57,562	(1,072,402)

## 12. Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2021: £Nil).

The Trustees did not have any expenses reimbursed during the year (2021: £Nil).

The total amount of employee benefits received by key management personnel is £432,280, (2021: £429,971). The Trust considers its key management personnel comprises the Chief Executive, the Director of Finance and Administration, the Director of Clinical Services, the Medical Director and the Director of Income Generation & Marketing.

## 13. Staff costs and employee benefits

The average monthly number of employees and the full time equivalent (FTE) during the year was as follows:

	2022		2021	
	Average	FTE	Average	FTE
Nursing & medical	115	77	115	78
Education	5	3	6	4
Catering & domestic	24	16	23	16
Administration	25	16	23	16
Fundraising & marketing	91	61	87	59
<b>Total</b>	<b>260</b>	<b>173</b>	<b>254</b>	<b>173</b>

The total staff costs and employee benefits were as follows:

	2022 £	2021 £
Wages and salaries	5,424,127	5,485,848
Social security	475,396	464,169
Defined contribution pension costs	420,177	413,730
Consultancy and temporary staff fees	318,340	240,312
<b>Total</b>	<b>6,638,040</b>	<b>6,604,059</b>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 – £70,000	2	3
£70,001 – £80,000	–	–
£80,001 – £90,000	1	1
£90,001 – £100,000	1	1
<b>Total</b>	<b>4</b>	<b>5</b>

## 14. Tangible fixed assets – Group and Charity

	Freehold land and buildings £	Furniture, furnishings, vehicles & equipment £	Total £
<b>Cost</b>			
At April 1 2021	5,650,446	2,242,717	7,893,163
Additions	–	79,436	79,436
Disposals	–	(66,949)	(66,949)
<b>At 31 March 2022</b>	<b>5,650,446</b>	<b>2,255,204</b>	<b>7,905,650</b>
<b>Depreciation</b>			
At 1 April 2021	1,557,855	2,035,533	3,593,388
Charge for the year	112,592	106,694	219,286
Eliminated on disposals	–	(66,949)	(66,949)
<b>At 31 March 2022</b>	<b>1,670,447</b>	<b>2,075,278</b>	<b>3,745,725</b>
<b>Net book value</b>			
At 31 March 2022	3,979,999	179,926	4,159,925
At 31 March 2021	4,092,591	207,184	4,299,775

Included within freehold land & buildings is non-depreciable freehold land amounting to £21,000 (2021: £21,000). The Trustees believe that it is not practical to quantify any difference between the cost of freehold land and buildings and the fair value.

## 15. Fixed asset investments

Group	Unrestricted funds £	Endowment funds £	Total £
<b>Valuation</b>			
At 1 April 2021	6,013,676	6,563	6,020,239
Additions	252,101	—	252,101
Disposals	(602,462)	(1,498)	(603,960)
Revaluation	(57,900)	338	(57,562)
<b>At 31 March 2022</b>	<b>5,605,416</b>	<b>5,403</b>	<b>5,610,819</b>
<b>Cost</b>			
At 31 March 2022	3,975,664	1,863	3,977,527
At 31 March 2021	4,326,025	3,361	4,329,386
		<b>2022</b>	<b>2021</b>
Investments at fair value comprise		<b>£</b>	<b>£</b>
Equities		3,811,464	4,051,248
Securities		1,799,335	1,968,991
		<b>5,610,819</b>	<b>6,020,239</b>

## 15. Fixed asset investments (cont.)

Charity	Listed investments		Equity investment in subsidiary undertaking	Total
	Unrestricted funds £	Endowment funds £	£	£
<b>Valuation</b>				
At 1 April 2021	6,013,676	6,563	100	6,020,339
Additions	252,102	—	—	252,102
Disposals	(602,462)	(1,498)	—	(603,960)
Revaluation	(57,900)	338	—	(57,562)
<b>At 31 March 2022</b>	<b>5,605,416</b>	<b>5,403</b>	<b>100</b>	<b>5,610,919</b>
<b>Cost</b>				
At 31 March 2022	3,975,664	1,863	100	3,977,627
At 31 March 2021	4,326,025	3,361	100	4,329,486
			<b>2022</b>	<b>2021</b>
Investments at fair value comprise			<b>£</b>	<b>£</b>
Equities			3,811,464	4,051,248
Securities			1,799,335	1,968,991
Group undertakings			100	100
<b>At 31 March 2020</b>			<b>5,610,819</b>	<b>6,020,339</b>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

Investments in group undertakings are measured at cost less impairment on the basis that they represent shares in entities that are not publicly traded and the fair value cannot otherwise be measured reliably.

The charity's equity investment in subsidiary undertaking is a 100% holding in the ordinary share capital of Kirkwood Hospice Enterprises Limited, a company incorporated in England & Wales (company number 7368034). The charity holds 100 shares of £1 each, these are the only shares allotted, called up and fully paid.

It pays all of its profits to the charity under the gift aid scheme. Kirkwood Hospice Enterprises Limited operates all commercial trading activity as fundraising in support of the charity. A summary of the trading results is shown below:



## 15. Fixed asset investments (cont.)

	2022 £	2021 £
Turnover	193,615	172,684
Cost of sales and administration costs	(151,346)	(114,207)
Other operating income	(5,212)	32,823
Profit before tax	37,057	91,300
Tax on profit	—	(17,347)
Profit after tax	37,057	73,953
Amount gift aided to the charity	(37,057)	—
Retained in the subsidiary	—	73,953
The assets and liabilities of the subsidiary were:		
Current assets	205,356	187,711
Current liabilities	(87,168)	(63,658)
Creditors: amounts falling due after more than one year	(44,135)	(50,000)
<b>Total net assets</b>	<b>74,053</b>	<b>74,053</b>
<b>Aggregate share capital and reserves</b>	<b>74,053</b>	<b>74,053</b>

## 16. Stocks

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Catering & housekeeping	3,320	3,010	3,320	3,010
Medical supplies	5,986	6,284	5,986	6,284
Shop and fundraising goods	59,991	63,258	—	—
<b>Total</b>	<b>69,297</b>	<b>72,552</b>	<b>9,306</b>	<b>9,294</b>

Stock held is for use to further the charity's activities or for sale in the charity and gift shops.

## 17. Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	164,507	20,818	164,507	20,818
Taxation debtor	27,429	—	23,742	—
Amounts owed by group undertakings	—	—	67,427	42,399
Prepayments and accrued income	1,399,710	760,099	1,388,225	713,532
Legacies notified in advance	152,565	387,375	152,565	387,375
<b>Total</b>	<b>1,744,212</b>	<b>1,168,292</b>	<b>1,796,466</b>	<b>1,164,124</b>

## 18. Creditors: amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	198,975	242,439	187,028	240,505
Other and social security	119,584	118,847	119,584	118,869
Corporation tax	—	17,347	—	—
Accruals	239,828	340,427	237,868	338,443
Deferred income (note 19)	206,297	158,791	206,297	158,791
Bank Loan	5,865	—	—	—
<b>Total</b>	<b>770,549</b>	<b>877,851</b>	<b>750,777</b>	<b>856,608</b>

## 19. Creditors: amounts falling due after more than one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Bank Loan	44,135	50,000	—	—
<b>Total</b>	<b>44,135</b>	<b>50,000</b>	<b>—</b>	<b>—</b>

The bank loan is due to be repaid by monthly instalments starting in July 2022 and will be repaid in full over 10 years. The amount repayable in instalments which falls due after more than 5 years from the balance sheet date is £5,866 (2021: £29,410). Interest at 2.5% is due on the amount outstanding.

## 20. Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Not later than one year	244,205	273,665	237,207	266,607
Later than one and not later than five years	644,161	566,196	624,910	561,348
Later than five years	133,333	182,333	133,333	182,333
<b>Total</b>	<b>1,021,699</b>	<b>1,022,194</b>	<b>995,450</b>	<b>1,010,288</b>

## 21. Deferred Income – Group and Charity

	Under 1 year £	Over 1 year £	Total
At 1 April 2021	158,791	–	158,791
Additions during the year	187,500	–	187,500
Amounts released to income	(139,994)	–	(139,994)
<b>At 31 March 2022</b>	<b>206,297</b>	<b>–</b>	<b>206,297</b>

	Under 1 year £	Over 1 year £	Total
At 1 April 2020	200,053	–	200,053
Additions during the year	158,791	–	158,791
Amounts released to income	(200,053)	–	(200,053)
<b>At 31 March 2021</b>	<b>158,791</b>	<b>–</b>	<b>158,791</b>

Income has been deferred which has been received in advance for future lottery draws of £70,678 (2021: £68,664) and for funding relating to future periods of £135,619 (2021: £90,127).

## 22. Fund reconciliation

Unrestricted funds – group	Balance at 1 April 2021 £	Income £	Expenditure £	Investment gains £	Tax Charge 2020 £	Transfers £	Balance at 31 March 2022 £
Unrestricted	5,567,768	7,685,565	(7,293,411)	138,037	–	141,010	6,238,969
Designated Fixed Asset fund	4,299,775	–	–	–	–	(139,850)	4,159,925
Designated Project fund	1,958,160	–	(379,009)	–	–	–	1,579,151
<b>Total</b>	<b>11,825,703</b>	<b>7,685,565</b>	<b>(7,672,420)</b>	<b>138,037</b>	<b>–</b>	<b>1,160</b>	<b>11,978,045</b>

Unrestricted funds – group	Balance at 1 April 2020 £	Income £	Expenditure £	Investment gains £	Tax Charge 2021 £	Transfers £	Balance at 31 March 2021 £
Unrestricted	4,740,200	6,181,246	(6,784,539)	1,371,692	(17,347)	76,517	5,567,768
Designated Fixed Asset fund	4,265,206	–	–	–	–	34,569	4,299,775
Designated Project fund	2,037,887	350,000	(429,728)	–	–	–	1,958,160
<b>Total</b>	<b>11,043,293</b>	<b>6,531,246</b>	<b>(7,214,267)</b>	<b>1,371,692</b>	<b>(17,347)</b>	<b>111,086</b>	<b>11,825,703</b>

Unrestricted funds – charity	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Investment gains £	Balance at 31 March 2022 £
Unrestricted	5,493,815	7,529,007	(7,136,855)	141,010	138,037	6,165,014
Designated Fixed Asset fund	4,299,775	–	–	(139,850)	–	4,159,925
Designated Project fund	1,958,160	–	(379,009)	–	–	1,579,151
<b>Total</b>	<b>11,751,750</b>	<b>7,529,007</b>	<b>(7,515,864)</b>	<b>1,160</b>	<b>138,037</b>	<b>11,904,090</b>

Unrestricted funds – charity	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Investment gains £	Balance at 31 March 2021 £
Unrestricted	4,740,200	6,089,946	(6,784,539)	76,517	1,371,692	5,493,815
Designated Fixed Asset fund	4,265,206	–	–	34,569	–	4,299,775
Designated Project fund	2,037,887	350,000	(429,728)	–	–	1,958,160
<b>Total</b>	<b>11,043,293</b>	<b>6,439,946</b>	<b>(7,214,267)</b>	<b>111,086</b>	<b>1,371,692</b>	<b>11,751,750</b>

Restricted Funds – Group and Charity	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Investment gains £	Balance at 31 March 2022 £
Restricted fixed asset fund	5,983	–	–	–	–	5,983
Hospice UK/NHSE	–	1,018,764	(1,018,764)	–	–	–
Share and Care fund	–	15,500	(15,500)	–	–	–
Breathe Better fund	–	8,263	(8,263)	–	–	–
Music Therapy	–	13,500	(7,650)	–	–	5,850
Care Co-ordination	–	5,000	(5,000)	–	–	–
S&T Refurb	21,000	–	–	–	–	21,000
CNS Development	16,500	84,448	(45,836)	–	–	55,112
Other	19,460	30,829	(43,387)	–	–	6,902
	62,943	1,176,304	(1,144,400)	–	–	94,847
Endowment	6,563	–	–	(1,160)	–	5,403
<b>Total</b>	<b>69,506</b>	<b>1,176,304</b>	<b>(1,144,400)</b>	<b>(1,160)</b>	<b>–</b>	<b>100,250</b>

## 22. Fund reconciliation (cont.)

Restricted Funds – Group and Charity	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Investment gains £	Balance at 31 March 2021 £
Restricted fixed asset fund	54,839	15,560	(2,469)	(61,947)	–	5,983
Hospice UK/NHSE	–	1,159,348	(1,159,348)	–	–	–
Share and Care fund	–	–	(448)	448	–	–
Breathe Better fund	–	8,304	(8,304)	–	–	–
CNS Development	–	32,040	(32,040)	–	–	–
Covid-19 restricted fixed asset fund	37,140	12,000	–	(49,140)	–	–
Care Co-ordination	–	25,000	(25,000)	–	–	–
S&T Refurb	–	21,000	–	–	–	21,000
CNS Development 2	–	16,500	–	–	–	16,500
Other	–	16,990	2,917	(447)	–	19,460
	91,979	1,306,742	(1,224,692)	(111,086)	–	62,943
Endowment	5,803	–	–	–	760	6,563
<b>Total</b>	<b>97,782</b>	<b>1,306,742</b>	<b>(1,224,692)</b>	<b>(111,086)</b>	<b>760</b>	<b>69,506</b>

### Fund descriptions

#### a) Unrestricted funds

The general funds are available for the use at the discretion of the charity in furtherance of the general objectives as detailed in the Trustees report.

#### b) Designated funds

Kirkwood Hospice has clear policy and procedures to guide its management of reserves. The policy clarifies in more detail that the charity will hold designated funds to provide for specific future projects that are unlikely to be met by future income alone.

A review of the financial position as at 31 March 2017 confirmed that the general reserve was 20 months of charitable expenditure, which equated to the charity holding £1.5million in excess of their reserves policy. As a result of this position the £1.5 million was transferred to the designated project fund. It should be noted that £950,000 was transferred to this fund during 2016 and 350,000 was transferred to this fund during 2020/21.

During the financial year ended 31 March 2022 £390,107 was expended from the Designated Project Fund to continue our Care Co-ordination Service pilot project, the purchase of the Cleckheaton Charity Shop premises, additional office space at Empress Works and costs in relation to rebrand of The Kirkwood. In addition, the charity has been developing plans to allocate the fund to ensure that it maximises the benefit towards its strategic aims and ultimately facilitates the furtherance of the charity's objectives. Further details of these proposed plans can be viewed on pages 14 to 17 (Developments targeted through use of Designated Fund).

The fixed asset designated fund comprises assets which were purchased to further the aims of the charity and are not considered to be restricted assets.

#### c) Restricted funds

The restricted fixed asset fund includes restricted income which has been received for equipment for the charity.

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support. £1,018,764 (2021: £1,159,348) was received from the Hospice UK during the year ended 31 March 2022.

Share and Care is an initiative comprising of a three-week course, offering help and support to individuals who are caring for someone who has a life-limiting illness. The share and care fund is made up of a grant received to fund the share and care project, a project which has partially funded the salary cost of a nurse. £15,500 was received in relation to this during the year ended 31 March 2022.

Breathe Better is a course for patients with a diagnosis of Chronic Respiratory Disease and their Carers. The course provides advice, information and support to help manage their condition. £8,263 was received in relation to this during the year ended 31 March 2022.

The Care Home CNS project received £84,448 of this £63,948 from the Haley Family Trust, £10,000 from Cotton Industry War Memorial Trust, £5,000 from Sovereign Health, £5,000 A Jurdens and £500 E MacFuniss. This went towards the costs of Clinical Nurse Specialists, specifically for the upskilling of the palliative community nursing team.

£5,000 was received from the Sir George Trust during the year ended 31 March 2022. This grant is restricted against the salary costs of Care Co-ordination during February and March 2021.

£13,500 was received for the Music Therapy project of which £4,000 was from the David Family Trust, £4,500 was from the National Lottery Community Fund, £3,000 from the D'Oyly Carte and £2,000 from The Victoria Wood. This was used to support people whilst abiding by government Coronavirus restrictions by creating an online virtual choir in partnership with music therapy charity Nordoff Robins.

Other restricted income consists of various amounts assigned to specified activities.

#### d) Endowment funds

The endowment fund is made up of investments transferred to the charity on condition that the capital should be retained and the income generated either retained or used to support the charities general activities, income generated by the endowment fund is considered to be unrestricted income.

### 23. Analysis of net assets between funds

Group	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fixed assets	5,605,415	4,159,925	–	5,403	9,770,743
Cash & current investments	(365,273)	1,579,151	94,847	–	1,308,725
Other current assets	1,813,509	–	–	–	1,813,509
Liabilities	(814,683)	–	–	–	(814,683)
<b>Total</b>	<b>6,238,968</b>	<b>5,739,076</b>	<b>94,847</b>	<b>5,403</b>	<b>12,078,294</b>

Group	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fixed assets	6,013,676	4,299,775	–	6,563	10,320,014
Cash & current investments	–	1,199,259	62,943	–	1,262,202
Other current assets	481,943	758,901	–	–	1,240,844
Liabilities	(927,851)	–	–	–	(927,851)
<b>Total</b>	<b>5,567,768</b>	<b>6,257,935</b>	<b>62,943</b>	<b>6,563</b>	<b>11,895,209</b>

Charity	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Fixed assets	5,605,516	4,159,925	–	5,403	9,770,844
Cash & current investments	(495,496)	1,579,151	94,847	–	1,178,502
Other current assets	1,805,771	–	–	–	1,805,771
Liabilities	(750,777)	–	–	–	(750,777)
<b>Total</b>	<b>6,165,014</b>	<b>5,739,076</b>	<b>94,847</b>	<b>5,403</b>	<b>12,004,340</b>

Charity	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fixed assets	6,013,776	4,299,775	–	6,563	10,320,114
Cash & current investments	-	1,121,389	62,943	–	1,184,332
Other current assets	336,647	836,771	–	–	1,173,418
Liabilities	(856,608)	-	–	–	(856,608)
<b>Total</b>	<b>5,493,815</b>	<b>6,257,935</b>	<b>62,943</b>	<b>6,563</b>	<b>11,821,256</b>

General reserves - Group	2020 £	2020 £
Unrestricted funds	11,978,044	11,825,703
Invested in tangible fixed assets	(4,159,925)	(4,299,775)
Designated project fund	(1,568,053)	(1,958,160)
<b>General Reserve</b>	<b>6,250,066</b>	<b>5,637,768</b>

### 24. Reconciliation of net income/(expenditure) to net cash flow from operating activities and analysis of changes in net debt

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Net income/(expenditure) for year	183,085	754,134	183,085	680,181
Interest receivable	(36)	(144)	(36)	(144)
Dividends receivable	(116,543)	(117,036)	(116,543)	(117,036)
Depreciation of tangible fixed assets	219,286	221,094	219,286	221,094
Tax on profit	–	17,347	–	–
Losses/(gains) on investments	57,562	(1,072,402)	57,562	(1,072,402)
(Profit) on disposal of fixed asset investments	(193,149)	(300,050)	(193,149)	(299,338)
(Increase)/decrease in stock	3,255	(2,177)	(12)	4,259
(Increase)/decrease in debtors	(575,920)	(306,932)	(632,342)	(237,975)
(Decrease)/increase in creditors	(113,167)	143,143	(105,831)	156,636
<b>Net cash flow from operating activities</b>	<b>(535,627)</b>	<b>(663,023)</b>	<b>(587,980)</b>	<b>(664,725)</b>

### Net debt reconciliation – group only

	1 April 2021 £	Cash flows £	31 March 2022 £
Bank loan	(50,000)	–	(50,000)
Total liabilities	(50,000)	–	(50,000)
Cash and cash equivalents (page 59)	1,262,202	46,523	1,308,725
<b>Total</b>	<b>1,212,202</b>	<b>46,523</b>	<b>1,258,725</b>

## 25. Pensions and other post-retirement benefits

Employees of the charity are entitled to join either the NHS Pensions Scheme (eligible employees only), or the Kirkwood Hospice Stakeholder Pension Plan.

### NHS Pension Scheme

Eligible employees are able to remain in the NHS Pensions Scheme as if they were still in the employment of an employing authority. The NHS Pension Scheme is an unfunded occupational pension scheme backed by the Exchequer, which is open to all NHS employees and employees of approved organisations. The scheme provides pensions, in varying circumstances for employees of participating employers. The scheme receives contributions from employers and employees to defray the costs of pensions and other benefits. The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year. Details of benefits payable, and the basis for valuations under these provisions can be found on the NHS Pensions website at: [www.nhsbsa.nhs/pensions](http://www.nhsbsa.nhs/pensions). The scheme is accounted for as a multi-employer scheme under the Charity SORP (FRS102) and, as no surplus or deficit is able to be identified and allocated to the separate employer, the contributions have been accounted for as a defined contribution scheme and no share of the surplus or deficit included in these financial statements.

In the year ended 31 March 2022, the charity made contributions to the NHS Pension Scheme totalling £264,710 (2021: £266,812). Employer contributions were 14.38% and employee contributions were in the range of 5% to 13.5% of pensionable pay.

### Other Pension Schemes

Other employees are entitled to join the AEGON - Kirkwood Hospice Stakeholder Pension Plan, which is a defined contribution scheme. The contribution rates for this scheme are 7.5% of pensionable pay for the employer and 6% of pensionable pay for the employee. New employees are auto-enrolled if eligible into this scheme, the contribution rates being 3% for the employer and 5% for the employee. The employee then has the option to increase their contributions to 6% if they so wish. In the year ending 31 March 2022, the charity paid contributions to the schemes totalling £144,085 (2021: £146,918).

The contributions are allocated to unrestricted funds.

## 26. Contingent asset

At the year end the charity had 6 legacies (2022: 3) confirmed which the Trustees believe are unable to be measured reliably as the solicitors at present are unable to quantify the value of the proposed estate.

At the year end the charity was due an amount from insurance claims as a result of lost earning during COVID-19 lock down restrictions. The Trustees believe they are unable to reliably measure the proceeds as negotiations are still in progress with the insurance brokers.

## 27. Financial commitments

Contractual commitments for the acquisition of tangible fixed assets contracted for but not provided in the financial statements amounted to £Nil (2021 - £nil).

## 28. Related party transactions

During the year donations totalling £877 (2021 - £3,227), excluding the value of donated goods, were received from Trustees, none of these had conditions attached. There were no other related party transactions.

The charity is controlled by the Trustees. No one Trustee has ultimate control.



# Getting in touch

**24/7 Specialist Advice Line**  
01484 557 910

**The Kirkwood Main Reception**  
01484 557 900

**Fundraising**  
01484 557 911

**Website**  
[thekirkwood.org.uk](http://thekirkwood.org.uk)  
**Email**  
[info@thekirkwood.org.uk](mailto:info@thekirkwood.org.uk)

**Address**  
The Kirkwood  
21 Albany Road  
Dalton, Huddersfield  
HD5 9UY

Kirkwood Hospice is a Company Limited  
by Guarantee in England (No. 1645888)  
and a Registered Charity (No. 512987)



Our support began as a hospice, but today it is a promise: to support the life and legacy of all of those affected by a life limiting illness.

We help those in our care to live well and to make the most of every single day. We make the complex simple by focussing on what's important. And we support families and loved ones to live on – and live well.

We're here for local people across our community whenever and wherever they need us, helping to improve their quality of life – in the ways that matter most to them.

Through thick and thin, giant hugs and bottomless mugs, we support life for anyone affected by a life limiting illness here in Kirklees.