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Kirkwood Hospice

Trustees' report and financial statements

Company registered number 01645888

Charity registration number 512987

For the year ended 31 March 2026

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Welcome & Foreword from the Chief Executive and Chair

The previous two years have been among the most significant in The Kirkwood's history.

During 2024–25, we took some of the most difficult decisions our charity has ever faced. Those decisions affected patients and families, employees and volunteers, supporters and partners. They were emotionally challenging for everyone who cares about The Kirkwood, not least because they included reducing the number of in-patient beds from 16 to 12 and reshaping services that had been developed over many years. We understood why those decisions were difficult to accept.

The changes challenged long-held assumptions about what The Kirkwood should look like and prompted understandable questions about our future. We asked our stakeholders to trust that the changes were proportionate, necessary and made with one purpose in mind: securing The Kirkwood's ability to care for people and communities long into the future.

This report allows us to reflect on what happened next.

Looking back, we remain confident that those decisions were the right ones. They created the stability we needed to look beyond immediate financial sustainability and focus on what matters most for our future: the difference we can make for local people and the communities we are here to serve. That is why this report is different from previous years.

The report is not simply a record of what happened during 2025–26. It explains why this year will matter long into the future.

Throughout the year, The Kirkwood continued to strengthen its financial position, invested in its facilities, restated its ambitions for income generation, reaffirmed and strengthened its partnerships across the health and care system, and undertook one of the most comprehensive engagement exercises in its history. Together, these achievements created something more valuable than organisational stability alone. They created the confidence to look ahead.

One message emerged consistently from the conversations we held across our communities. People do not define The Kirkwood simply by the services we provide. They define us by the quality of our human relationships; with patients and families, with colleagues and volunteers, with donors and customers, and with partners across our communities. That insight has shaped our new five-year strategy and our ambition for the future.

Some may look at this period and see a story of financial recovery. We see something different. We see a charity that has thoughtfully repositioned itself for a changing world while remaining true to the purpose that has guided us throughout our history. We see an organisation that has strengthened its foundations, renewed its confidence and is now looking forward with clarity and ambition.

The world will continue to change. Expectations of health and care will continue to evolve. New technologies, changing legislation and increasing pressures on public services will continue to shape the environment in which we work. Through all those changes, our responsibility remains the same: to bring our community together to care for people affected by life-limiting illness, helping them and their families to live well through to the end of life.

The year ahead will mark The Kirkwood's 40th anniversary. While it offers an opportunity to celebrate four decades of compassionate care, it is equally an opportunity to look forward with refreshed clarity and engage a new generation of supporters, volunteers and partners in shaping the future of end-of-life care.

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We hope this report gives you confidence not only in what The Kirkwood has achieved over the past year, but in the future we are now building together.

Thank you for the trust, commitment and generosity that continue to make that future possible.

Michael Crowther
Chief Executive

Lorraine Chapman
Chair of the Board of Trustees

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Objectives and Activities

The Trustees who are the directors of Kirkwood Hospice for the purpose of company law, present the trustees annual report (including strategic report) and the audited financial statements of the charity for the year ended 31 March 2026.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Kirkwood Hospice is a registered charity, number 512987 and a company limited by guarantee in England, number 01645888. 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.

It should be noted that during the reporting period 1 April 2024 and 31 March 2025, the charity reviewed its Articles of Association. The last review had been conducted in 2013 and the trustees felt that as part of effective governance a review was required. On 8 August 2024, a special resolution was passed at a general meeting of the company. These revised Articles of Association were provided to Companies House and the Charity Commission and are therefore in the public domain.

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

To bring our community together to care people affected by life-limiting illnesses, helping them and their families to live well until the end of life.

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 our hospice 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:

1. That patients should have active, progressive and potentially life-threatening illness.
2. 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.
3. Patients must have been recently assessed by a member of a Specialist Palliative Care team.

The trustees can confirm they have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing the Charity’s aims and objectives and in planning future activities.

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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 our services, free of charge, to people in Kirklees affected by life-limiting illnesses, focusing on their quality of life. We provide care for people affected by any life limiting illness, such as 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 considering current national guidance and quality statements and standards.

2025–26 at a glance

Activity Measure	2024–25	2025–26	Variance	%
People Supported	2,702	2,196	-506	-19
Patients Supported	2,037	1,610	-427	-21
Advice Line / Telephone Contacts	11,438	11,884	446	4
Home Visits	3,757	3,274	-483	-13
End of Life Patients Supported	1,064	819	-245	-23
Out of Hours Contacts	979	1,343	364	37
In-Patient Admissions	318	271	-47	-15
End of Life Patients in IPU	225	202	-23	-10
Out of Hours Admissions	70	60	-10	-14
Patient Experience Surveys Completed	339	210	-129	-38

The world has changed. Our mission hasn't.

Some years are remembered for what happened. Others are remembered because they changed what happened next. We believe 2025–26 will be one of those years for The Kirkwood.

The Kirkwood was founded on a simple belief: that every person affected by a life-limiting illness deserves compassionate, expert care, and that no one should face the end of life alone.

That belief has not changed.

The world around it has.

People are living longer, often with increasingly complex needs. Medical knowledge continues to advance, bringing new treatments, technologies and opportunities that would have been unimaginable only a generation ago. At the same time, the expectations of individuals, families and communities continue to grow, rightly reflecting what is now possible.

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Yet there is an increasing gap between what health and care services could deliver and what they are able to deliver. Public finances remain under significant pressure; demand continues to grow and the people needed to provide care are increasingly stretched. These pressures are felt across health and social care, but perhaps nowhere more profoundly than in the support available to people living with frailty, serious illness and the practical realities of everyday life.

Alongside these challenges, society continues to ask new questions about the future of care. Advances in artificial intelligence have the potential to transform how health and care services are delivered, creating extraordinary opportunities to improve access, knowledge and personalisation. Equally, if implemented without careful thought, they have the potential to make care feel less personal and less human. At the same time, the national debate around assisted dying reflects changing expectations about dignity, choice and autonomy at the end of life. Whatever the outcome of these debates, they represent profound changes in the environment in which hospices now work.

Taken together, these developments create an important challenge. As the world becomes more complex, there is a risk that care becomes more fragmented, more transactional and less centred on the individual. For the communities, groups and individuals who have historically found it hardest to access care that understands their needs, those inequalities may become even more pronounced.

Against this backdrop, organisations like The Kirkwood become more important, not less. Our responsibility extends beyond delivering outstanding care today. It is to help define what outstanding end-of-life care should look like in the future, ensuring that compassion, dignity, equity, human relationships and meaningful connection remain at its heart.

This was the context in which The Kirkwood entered 2025–26. It was not simply a year in which we recovered from the difficult decisions that had secured our charity’s future. It was an opportunity to ask a more fundamental question: how should The Kirkwood fulfil its mission in a world that is changing so profoundly? The remainder of this report describes how we sought to answer that question.

A defining year

Looking back, 2025–26 will be remembered as the year we actively addressed our future. The previous year had required some of the most significant decisions in the charity's history. Those decisions were never intended simply to restore financial stability. Their purpose was to create the conditions for a different future: one in which The Kirkwood would be more sustainable, more influential and better equipped to meet the changing needs of the communities we serve.

Throughout 2025–26, that ambition began to take shape.

Rather than returning to business as usual, The Kirkwood continued to reposition itself around the needs of the future. We strengthened relationships with the NHS and health and care partners, helped shape a new integrated model of community palliative and end-of-life care, broadened our influence through partnerships with the local university, the voluntary sector and national organisations, and continued to make the case for a more sustainable approach to hospice funding.

This was not simply a year of external change. It was also a year of reflection.

The Kirkwood undertook the most comprehensive engagement exercise in our history, listening to patients and families, employees and volunteers, donors and customers, trustees, partners and the wider community. Those conversations were not simply about writing a strategy. They were about understanding what people valued most about The Kirkwood and the role they believed we should play in the future.

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Although people brought different perspectives, one theme emerged with remarkable consistency. People did not define The Kirkwood by its buildings or individual services. They defined us through the quality of our human relationships: the compassion we show to patients and families, the commitment of colleagues and volunteers, the generosity of donors and customers, and the strength of our partnerships across the community.

That insight became the foundation of The Kirkwood's new strategic direction.

The year also marked an important shift in confidence. Confidence that the difficult decisions taken previously had been the right ones. Confidence that The Kirkwood had a clear direction for the future. Confidence among partners that we would continue to play a leading role within the health and care system. Confidence among supporters that their generosity was helping to build something sustainable for future generations.

Looking back, these developments were not separate achievements. They were connected. Together they demonstrated that the changes made to secure The Kirkwood's future had also created the opportunity to redefine our contribution. Alongside the continuing commitment to delivering outstanding care, The Kirkwood increasingly has a role in helping to shape the future of end-of-life care across Kirklees, West Yorkshire and beyond.

If the previous year demonstrated the courage to change, then 2025–26 demonstrated why that change mattered.

Our response

The changing world described in the previous section required more than reflection. It required action. During 2025–26, The Kirkwood focused our efforts on a small number of strategic priorities. Together, these priorities completed our charity's repositioning, strengthened our long-term sustainability and created the capacity to define our future with confidence.

The following priorities shaped the year's work and, collectively, created the conditions for the next chapter in The Kirkwood's development.

Strategic priority	Why it mattered	Evidence
Complete our organisational repositioning	Secure long-term financial sustainability while protecting the quality and safety of care.	Financial balance achieved, revised clinical model embedded, organisational changes completed.
Strengthen our own income generation	Build greater confidence that increased care can be funded sustainably by our community over the long term.	Income ambitions restated, fundraising strengthened, retail transformation progressed, online trading matured.
Invest in our future	Take advantage of one-off Government capital funding to improve the environment for patients, families and colleagues.	Capital programme delivered. £609,721 invested. Projects completed.
Strengthen our role within the health and care system	Help shape more integrated, sustainable models of specialist palliative care.	Integrated community model agreed, commissioning work undertaken, recurrent NHS funding secured, influence across West Yorkshire expanded.
Define our future direction	Understand what people value most about The Kirkwood and build a strategy around that insight.	Largest engagement exercise undertaken, new five-year strategy developed, human relationships identified as defining characteristic.

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Each of these priorities was achieved during the year. More importantly, together they demonstrated that the difficult decisions taken previously had achieved their purpose. They created the confidence and capacity for The Kirkwood to look beyond organisational sustainability and towards the future contribution we want to make to end-of-life care.

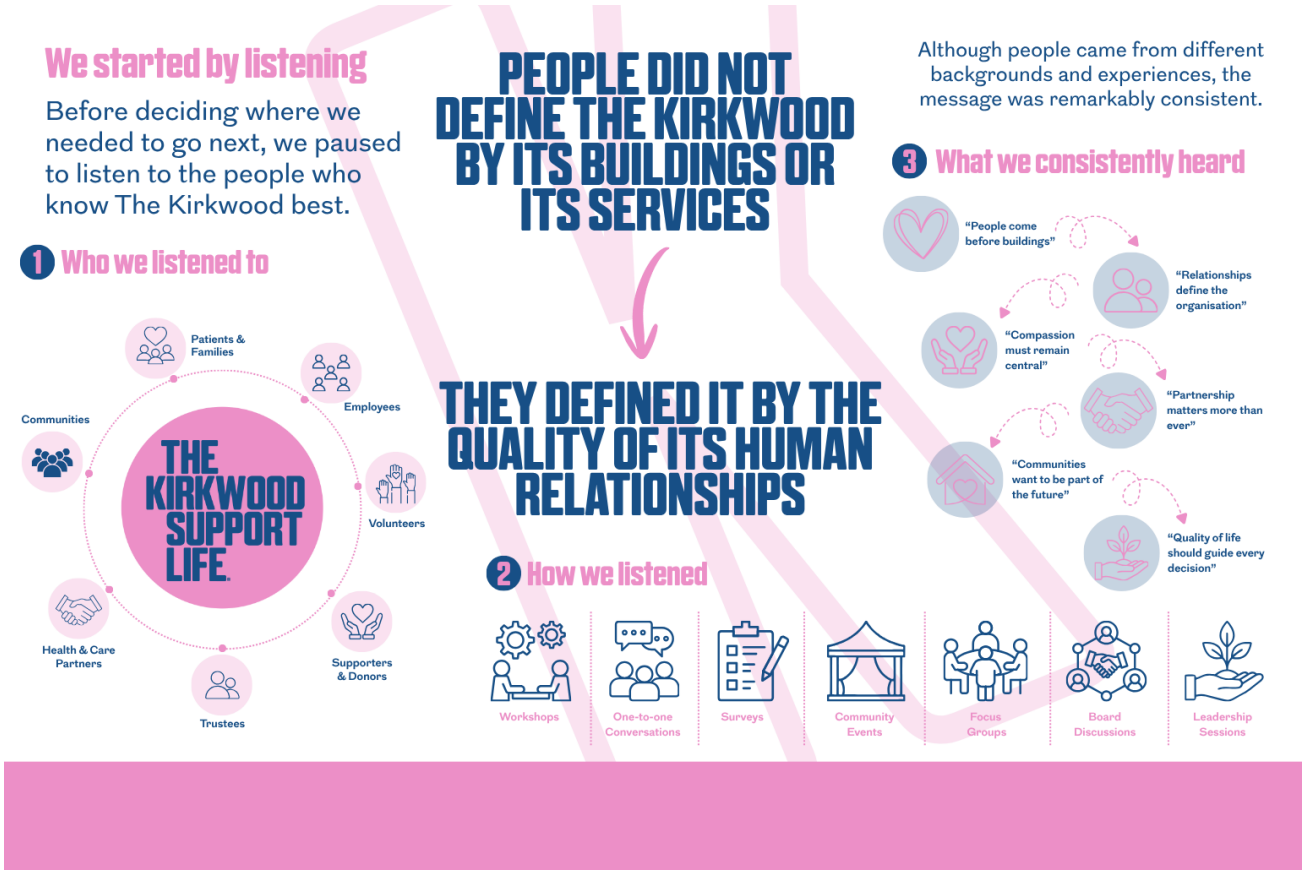
What we heard
Defining The Kirkwood's future was never going to be the work of a small group of people.

If our new strategy was to reflect the changing world around us, it first needed to reflect the people and communities we exist to serve.

During 2025–26, The Kirkwood undertook one of the most comprehensive engagement exercises in our history. Patients and families, employees, volunteers, donors and customers, trustees, health and care partners and members of our wider community all contributed their experiences, perspectives and ambitions for the future.

We were not seeking approval for a predetermined strategy, nor were we asking others to write it for us. We wanted to test our own thinking, challenge our assumptions and understand what people valued most about The Kirkwood.

The breadth of engagement is illustrated below.



The engagement process did not fundamentally change The Kirkwood's direction.

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Instead, it gave our charity the confidence to articulate something we had been working hard to build over many years.

Across every conversation, one idea emerged with remarkable consistency. People valued The Kirkwood not simply for the services we provide, but for the quality of the human relationships we create and the sense of connection those relationships foster – between patients and families, employees and volunteers, donors and customers, our communities and across the wider health and care system.

Those relationships are built on compassion, trust, dignity, expertise and a shared commitment to helping people live as well as possible until the end of life. They represent the unique contribution that The Kirkwood makes to our communities and the foundation upon which our future will be built.

That insight became the foundation of The Kirkwood's new five-year strategy.

Our future direction

Every strategic plan represents a series of choices.

It is not simply a statement of ambition. It is a decision about where an organisation can make the greatest difference in the (changing) world.

The engagement undertaken during 2025–26 gave The Kirkwood the confidence to make those choices with clarity. It confirmed that, while the world around us continues to evolve, the values that people associate with The Kirkwood have remained remarkably consistent. Compassion, dignity, trust, expertise and human connection are not simply characteristics of our care. They are the qualities that define our charity.

Our new five-year strategy therefore begins with a simple principle.

The Kirkwood's future will not be defined by the number and type of services we provide or the buildings we occupy. It will be defined by the quality of the human relationships we create and sustain.

This principle shapes every part of our future direction.

It means continuing to provide outstanding specialist palliative and end-of-life care while recognising that our contribution extends beyond the care we deliver directly. It means supporting and developing our employees and volunteers so they can build meaningful relationships with those they serve. It means creating deeper partnerships with the NHS, local authorities, education, research, businesses and the voluntary sector. It means inspiring deeper connection with our communities so that more people choose to support, champion and benefit from compassionate care in the future.

Above all, it means recognising that our responsibility is continuing to evolve.

As society changes, The Kirkwood will continue to champion compassionate, personalised and equitable end-of-life care. We will embrace innovation where it enhances quality of life, and strengthens human relationships, ensuring that advances in technology never come at the expense of humanity. We will continue to contribute to important conversations about the future of health and social care, helping to shape models of care that place people, relationships and communities at their centre.

As national policy continues to evolve, we are encouraged that many of the themes emerging through the NHS 10-Year Plan closely reflect the direction we have chosen. Greater integration, stronger community partnerships and a renewed focus on delivering more personalised care closer to home all reinforce the role that hospices like The Kirkwood can play within the future health and care system.

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Our strategy has been shaped by the needs of our communities, but it is reassuring that it also aligns with the wider direction of travel.

Our strategy is not simply about the next five years.

It is our commitment to ensuring that, whatever changes take place around us, The Kirkwood continues to be defined by what has always mattered most: helping people to live well through to the end of life, supported by the strength of human relationships.

How we will measure what matters

Every organisation measures performance. The Kirkwood is no different.

However, if our future is to be defined by the quality of the human relationships we create, then we must also ensure that we measure the things that matter most.

Many of the measures in this report will be familiar. They include the quality of our care, the experience of our people, the generosity of our supporters, the strength of our partnerships and our financial sustainability. These remain essential indicators of a healthy organisation.

Taken individually, however, they only tell part of the story.

Together, they provide something much more valuable. They help us understand whether patients, families, employees, volunteers, supporters, partners and our wider community continue to have confidence in The Kirkwood and the contribution we make.

As we deliver our new strategy, these are the areas in which we will continue to measure our progress and hold ourselves accountable.

Confidence in..	Why it matters	How we'll know
Care	Patients and families should experience compassionate, personalised and expert care throughout their journey.	Patient and family feedback, clinical quality, CQC findings, complaints and compliments.
Our people	The Kirkwood's care depends on colleagues and volunteers feeling valued, supported and able to succeed.	Engagement, retention, sickness absence, volunteering, learning and development.
Support	Lasting relationships with donors and customers enable more people to benefit from outstanding care.	Donor retention and value, lottery participation, legacy giving, volunteer growth. Retail transactions and value.
Partnerships	Strong partnerships improve care and strengthen The Kirkwood's contribution to the wider system.	NHS investment, commissioning relationships, integrated community model, collaborative programmes.
The future	Long-term confidence depends on sustainability, innovation and delivering our strategy.	Financial resilience, strategy delivery, capital investment, research and innovation, income growth.

These measures also help us understand whether people continue to feel connected to The Kirkwood and our mission.

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Review of Financial Activities

The Consolidated Statement of Financial Activities for the accounting period is detailed on page 35 of the financial statements. A summary of the financial results and the work of The Kirkwood is set out below.

Summary of financial performance

- Income for the accounting period increased from £10,904,028 for the year to 31 March 2025 to £13,835,231 (27%) for the year to 31 March 2026.
- Expenditure for the accounting period decreased from £11,550,894 for the year to 31 March 2025 to £11,462,302 (0.76%) for the year to 31 March 2026.
- The operating surplus for the accounting period before considering gains and losses on investments amounted to £2,372,929 compared to last year's deficit of £646,866.
- The total surplus for the accounting period was £2,574,377 in comparison to a deficit of £504,072.
- The positive financial position at the end of the accounting period is attributed to higher-than-expected legacy income, an unexpected increase in NHS funding and significant capital grant funding from Hospice UK (HUK). It is important to note that without these exceptional items the charity would have achieved a breakeven position.

The Kirkwood entered 2025–26 facing significant financial challenges and the need to implement organisational change to secure long-term sustainability. Trustees therefore adopted a disciplined approach to financial management, balancing the need to reduce expenditure with the continued delivery of safe, high-quality care. Through strong financial oversight, organisational transformation and improved income performance, the charity's financial position improved significantly during the year.

Monies Received

Income performance exceeded expectations across several key areas. Total income was £13,835,231, compared with a budget of £10,632,581, representing an increase of £3,317,801 against plan. This was driven by several factors, including exceptional legacy income, increased community fundraising income, additional support from the NHS and Integrated Care Board, and the Hospice UK capital funding programme.

Legacy income delivered one of the strongest performances in the charity's history. The charity also benefited from over £662,000 of non-recurrent NHS funding (which was confirmed as recurrent at the end of the reporting period) and approximately £610,000 of HUK capital grant funding, enabling additional investment in facilities and infrastructure. We can confirm that the grant monies were expended and claimed as required in the grant agreement.

Whilst overall income performance was strong, some income streams experienced challenges during the year. Income received from charitable trusts and foundations was below target, primarily because a significant number of planned capital projects were funded through the Hospice UK capital programme rather than through traditional grant-making organisations. Event income was also lower than budget, although this was offset by stronger performance in community fundraising, lottery income and regular giving.

Donations and gifts continue to form a substantial portion of our income, and we deeply appreciate the support of individual and corporate donors, charitable trusts, and all our supporters. We are especially grateful to those who chose to remember The Kirkwood in their Wills, leaving a legacy to the charity. During the year, legacy contributions amounted to an amazing £2,923,515.

Income received is detailed from Notes 2 to 5 of the accounts.

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Monies expended

Total expenditure for the year was £11,462,302 against a budget of £10,826,213, resulting in an overspend of £636,089. This variation was driven by additional, unplanned funding from the ICB and HUK that was not known when the budget was set. Specifically, pay budgets exceeded plan due to temporary recruitment for new posts funded by a £662k non-recurrent allocation from the ICB. Additionally, the HUK grant funding brought forward proposed expenditure from future years, which will significantly increase depreciation costs over the next four years.

The costs for various services are detailed in Note 6 of the accounts.

Financial Position

As a result of strong income performance, The Kirkwood moved from reporting operating deficits in previous years to delivering a healthy operating surplus in 2025–26. Forecasts reported to Trustees indicate that the charity has returned to a financially balanced position, placing The Kirkwood on a stronger footing to invest in our strategic priorities and continue providing outstanding care to patients and families across Kirklees.

Overall, 2025–26 marked an important turning point for The Kirkwood. Through difficult but necessary decisions, combined with the extraordinary generosity of supporters, additional statutory investment and the commitment of employees and volunteers, the charity finished the year in a significantly stronger financial position than anticipated, providing a stable platform from which to deliver our new 2026-2031 Strategy.

Reserves

The Executive Management Team monitors the level of reserves held monthly when reviewing the management accounts. This information is subsequently reported into Finance and Resources Committee on a quarterly basis. Forecasts of income and expenditure are made annually, with the aim of balancing expenditure and income to ensure our services are sustainable into the future.

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 (CC19 Charities and Reserves). The review is reported to the Board of Trustees at its next meeting and recorded in the minutes.

The charity determines reserve requirements through a risk assessment of income and expenditure, rather than setting a minimum reserve level based on months of expenditure. This calculation considers legal and statutory obligations, as well as the aims and objectives outlined in The Kirkwood's Finance Strategy.

The Charity's reserves have been built up during the years when income exceeded expenditure. The reserves are made up of fixed assets and general funds. These general funds are invested and are available to bridge years when income does not cover costs, or to fund service developments and short-term service needs. The Investment Sub-Committee monitors the performance and management of investments held by the charity's investment manager on a quarterly basis and routinely reviews the charity's risk tolerance. Throughout the financial year, the investment portfolio was managed within a medium-risk mandate.

The Kirkwood's Investment Management Policy includes ethical investment. The charity continues to work with its investment managers to align the portfolio with these principles.

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The total funds held by the charity as of 31 March 2026 were £11,837,216 in comparison to £9,262,839 and included restricted funds of £59,382 and Endowment Funds of £6,115.

After deducting restricted funds, endowment funds and funds held as functional assets (£4,273,185), the charity had free reserves of £7,498,534 in comparison to £5,168,125 at the end of 2024–25. Free reserves are held to provide The Kirkwood with a contingency to endure unexpected events that significantly impact our financial position. At the end of the accounting period, they represented five months future expenditure.

The increase in free reserves shows the significant impact of additional funding received during the accounting period.

The statement of funds can be viewed at Note 23 on pages 51 to 53 of this document.

Structure, governance and management

The governing body of The Kirkwood is the Board of Trustees. As of 31 March 2026, The Kirkwood Board comprised eleven Trustee members who meet four times per annum. There are committees dealing with Clinical Governance, Finance and Resources, Income Generation and Marketing, Nominations, Risk & Audit, Remuneration, Community Development and Engagement (CDE) and other specific referrals from the Board of Trustees. Day to day operational delivery and management is delegated to the Chief Executive. 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 Trustees are dedicated volunteers who bring a diverse range of skills, experiences and background. Individuals can join the board either by expressing their interest in serving as trustees or through The Kirkwood's open trustee recruitment process. This process begins when a skills gap is identified, specifying the knowledge and skills the charity seeks. After a successful interview and satisfactory due diligence checks, new trustees are appointed at the next scheduled Board of Trustees meeting.

Each new trustee undergoes a formal induction programme to become familiar with all aspects of The Kirkwood's governance, strategy and operations. Additionally, Trustees must complete relevant mandatory training and participate in formal annual review meetings with the Chair of Trustees. Trustees do not receive any benefits from the charity and are required to complete an annual declaration of interests.

Trustees serve a three-year term from their appointment, after which they are eligible for re-appointment. Trustee tenure is monitored by the Nominations Committee, which makes re-appointment recommendations (including extensions to terms of office), to the Board of Trustees.

Kirkwood Hospice Enterprises is a registered company limited by guarantee in England, number 07368034. This is a trading subsidiary of the charity and was incorporated as a company limited by guarantee on 7th September 2010. The company was established under a Memorandum and Articles of Association.

The principal activity of the company is to generate income for the parent company Kirkwood Hospice from trading activities for commercial and income generating purposes.

The trading subsidiary is a separate legal entity from the charity and therefore needs its own board of directors. Because it has a different purpose from the charity (to carry out for profit trading), it requires individuals with different skills and backgrounds from the charity trustees. The trading company operates at 'arm's length' from the charity, but a small overlap between the two boards is required to ensure that opportunities and risks are managed from a governance perspective.

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Kirkwood Hospice Enterprises board is made up of the following:

- 2 Trustees of the charity (one being the Chair of the Income Generation and Marketing Committee)
- 2 Employees of the charity (Director of Fundraising & Marketing and the Director of Finances and Resources)
- Independent Individuals (minimum of 2)

The Chief Executive and the Chair of Trustees are permitted to occasionally attend trading company board meetings, but this is for observation only – they cannot be part of the decision making and do not have any voting rights at these meetings.

As a separate legal entity, the trading company is required to have separate board meetings, which are separately minuted. Systems must be established to ensure that the charity monitors the performance of the trading subsidiary. Therefore, copies of the minutes of the trading company board meetings and management accounts are made available and considered at the Income Generation and Marketing Committee meetings of the charity. A director of the trading subsidiary who is a charity trustee or employee has responsibility for reporting on the activities of the trading company at each committee meeting.

Trustee responsibilities

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:

Mrs C Black	
Miss L A Chapman	
Prof J Davies	
Mr E Johnson	
Mrs P McSorley	
Prof P W Roberts OBE	
Mr P R Sands	
Mr P L Scovell	Resigned 6th November 2025
Dr I R Wilson	
Mrs C Green	
Mrs S Bryson	
Mr Mohammed Zabed	

The charity holds an indemnity insurance policy on behalf of its trustees. Details of the cost are included in note 11 to the financial statements. The Board 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.

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.

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- 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.

Community, Development and Engagement

Becoming more diverse is completely aligned with why The Kirkwood exists: 'to bring our community together to care people affected by life-limiting illnesses, helping them and their families to live well until the end of life.' The Kirkwood's services are available to people based on need and not individual identity. Our ethos is to meet individual needs, through personalised care and the promotion of dignity for all our patients and those important to them. We cannot achieve this unless we connect with people on a human level to understand what matters to them most.

The people we exist to serve are individuals with their own unique identities. We must develop our services to meet their needs in ways that are more accessible so that people feel they belong within our movement. The time is right to address inequalities in the care that we provide, and communities are more enthusiastic to engage now than ever before.

In terms of employment, The Kirkwood is committed to ensuring equity of opportunity for our 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 the full benefits of working for the charity. 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 Fundraising and Marketing and the Associate Director of Retail. The Executive Team meet weekly and work within overall strategic objectives and policy guidelines determined by the Trustees. The Chair of Trustees meets regularly with the Chief Executive, and the Executive Management Team attend Board and Committee meetings.

All management initiatives involve employees and volunteers in forward planning. Employee views are sought via an Employee Voice Forum, where 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 they 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.

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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.

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 our income generating activity.

During this accounting period there was only 1 complaint in relation to our 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 also 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.

Protecting Vulnerable People

The Kirkwood ensures our colleagues and volunteers are fully briefed about the protection of vulnerable people. We brief staff and volunteers about best practice before they undertake any fundraising, making them aware of the need to identify, respect, support and protect vulnerable people. We have safeguarding polices in place and all our fundraising employees have undertaken safeguarding adults and children training.

Colleagues employed by The Kirkwood carry out most of our fundraising activities. For some activities, we work with other organisations or individuals to assist with our fundraising. For example, we work with lottery canvassers for lottery sign-ups. All arrangements are governed by written agreements that cover the responsibilities of both parties to ensure that anyone working on our behalf adheres to our strict ethical standards. We take all reasonable steps to protect vulnerable people.

When seeking to raise money from the public, we only send marketing material to those who have previously said they are happy to be contacted by us (and individuals are free to change their minds at any time). We take great care to ensure that our level of communication with our supporters is proportional and appropriate.

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

Risk Management Review and Principal Risks

The Board of Trustees is responsible for ensuring that The Kirkwood has effective systems in place to identify, manage and mitigate the principal risks that could affect delivery of our charitable objectives.

The Board Assurance Framework remains a key tool for strategic oversight. It brings together the principal risks that could significantly affect The Kirkwood's ability to deliver our strategy, the controls and assurances in place, and any actions required to strengthen risk management. Each strategic risk has an identified Executive Management Team lead, with strategic ownership retained by the Board of Trustees or one of its committees.

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During the year, Trustees also began considering how strategic assurance should evolve in light of our 2026–2031 Strategy. The discussion paper presented to the Risk and Audit Committee recognised that the operating environment has changed significantly since the current Board Assurance Framework was developed, with the strategy refresh, stakeholder engagement, SWOT analysis and geopolitical risk assessment highlighting new priorities, opportunities and uncertainties.

The future approach to strategic assurance is expected to be more closely aligned to the new strategy, with risks derived from the question: "What must be true if The Kirkwood is to achieve its strategic ambitions over the next five years?" This means the Board Assurance Framework will increasingly focus on the smaller number of principal uncertainties that could significantly affect strategic delivery, while operational, compliance and specialist risks may be managed through appropriate supporting frameworks and governance arrangements.

Comparison of Principal Risks: 2024–25 and 2025–26

The principal risks reported at the end of 2024–25 reflected a period of organisational change, financial pressure, workforce uncertainty and the need to protect stakeholder confidence. The 2025–26 review shows that these themes remain important, but the nature of some risks has shifted. In particular, the focus has moved from implementing urgent financial and organisational change towards embedding new operating models, maintaining confidence, strengthening leadership capacity and delivering the new 2026–2031 Strategy.

Risk theme	2024–25 position	2025–26 position	Direction of travel
Workforce, culture and capacity	Workforce risk was identified as one of the highest scoring risks, linked to recruitment, retention, skills, behaviour, employee vacancies and attrition. The 2024–25 narrative recognised sector-wide workforce challenges, post-pandemic exhaustion, cost-of-living pressures and the impact of organisational change.	Workforce remains a principal risk, but the emphasis has shifted towards organisational confidence, morale, leadership capacity and the need to sustain engagement following a prolonged period of change. The 2025–26 strategic response includes Change Communities, the Employee Voice Group, the Senior Leadership Community, workforce planning, leadership development and employee wellbeing.	Continuing risk, reframed from vacancies and attrition towards culture, confidence and leadership capacity.
Financial sustainability and reserves	The 2024–25 financial risk was described as the charity's income not covering the cost of providing services, with concern that reserves could fall below legal and moral obligations. The risk narrative referred to an organisational change programme to reduce expenditure by £1.7m, reductions in practical and social support elements, reductions in corporate and support services, and a	Financial sustainability remains a principal risk, but the 2025–26 review states that the organisation's financial position strengthened significantly during the year, and that additional NHS funding was secured. The main risk is now the longer-term need to generate sufficient recurring income to meet rising demand, increasing costs and the ambitions of the new strategic framework.	Improved immediate position, but continuing long-term risk around recurring income and sustainability.

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Risk theme	2024–25 position	2025–26 position	Direction of travel
	reduction in In-Patient Unit beds from 16 to 12.		
Fundraising and voluntary income	In 2024–25, a separate risk was identified around failure to achieve the required fundraising and voluntary income contribution. The title of this risk was “The Kirkwood’s Income does not cover the costs of providing services - Failure to achieve required Fundraising (voluntary / non-statutory) contribution”.	In 2025–26, this risk has been consolidated into the broader financial sustainability risk. The 2025–26 review recognises continued dependence on voluntary income, donations, fundraising activity, retail contribution, grants and legacy income, with legacy income noted as important but unpredictable.	Consolidated into the wider sustainable funding model risk.
Management effectiveness and organisational capacity	The current Board Assurance Framework includes ineffective management of the organisation as a strategic risk.	In 2025–26, this is one of the top five principal risks. The review states that the risk is not the development of strategy itself, but the ability to embed change, maintain organisational alignment and translate strategic ambition into consistent delivery. The response includes strengthening leadership capacity, establishing a Senior Leadership Community, developing Change Communities and investing in enabling functions.	Increased prominence as the organisation moves from change implementation to strategic delivery.
Reputation and stakeholder trust	In 2024–25, reputational risk was linked to organisational change and possible bad publicity. The narrative referred to changes implemented to reduce expenditure by £1.7m, including service and staffing reductions. It also highlighted the need to maintain stakeholder confidence through proactive communication, FAQs, engagement forums and monitoring of indicators such as self-referrals, recruitment interest, donor behaviour and patient feedback.	In 2025–26, reputation remains a principal risk. The emphasis is on how stakeholders understand the interaction between difficult organisational change, later financial improvement, significant legacy income, additional non-recurrent funding and increased NHS investment. The Board and Executive Management Team remain confident the decisions taken were necessary to protect long-term sustainability of the charity.	Continuing risk, with focus now on transparency, interpretation, confidence and involvement.
Loss of or imposed change to strategic direction	In 2024–25, this risk included external influences on strategic direction, with assisted dying specifically referenced in the list of top risks shared ahead of the CQC inspection.	In 2025–26, this remains one of the top five risks. The review describes a wider external environment shaped by health and care policy, commissioning arrangements, technology, public expectations, economic conditions, integrated neighbourhood approaches,	Continuing risk, broadened beyond individual policy issues to wider external change and adaptability.

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Risk theme	2024–25 position	2025–26 position	Direction of travel
		Artificial Intelligence, workforce transformation and potential legislative change.	
Business continuity, cyber, data, health and safety and specialist assurance	The current Board Assurance Framework includes business continuity, data and IT capability, and health and safety assurance as strategic risk areas.	The Risk and Audit Committee proposes that some specialist risks may be better managed through supporting assurance frameworks, including business continuity, cyber security, data protection and information governance, digital infrastructure, health and safety, clinical quality, safeguarding, regulatory compliance and estates resilience.	Likely to move into supporting assurance frameworks rather than remain as principal BAF risks.

Current Principal Risks Being Managed (as of 31st March 2026)

At the end of 2025–26, the five highest scoring risks identified for Annual Report disclosure were all scored at 12 on the 1 to 25 scale. These risks were: workforce numbers, skills or behaviour; income not covering the cost of services; ineffective management; negative impact on reputation; and loss of or imposed change to strategic direction.

Key Risk at the end of Accounting period 2025–26		Commentary	Risk Score (1 – 25)
1	Inadequate Workforce Numbers, Skills, or Behaviour	Like many organisations across the health, care and charity sectors, The Kirkwood continues to operate within a challenging workforce environment. While recruitment activity has remained positive and workforce turnover has stabilised during the year, the most significant workforce risk at the end of 2025–26 relates to organisational confidence, morale and leadership capacity following a period of organisational change. The changes required to restore financial sustainability were successfully implemented during the year. However, periods of significant change can create uncertainty and place pressure on workforce engagement, organisational culture and leadership capacity. There is a risk that, if not actively addressed, these factors could affect our ability to successfully implement our new Strategic Framework, sustain workforce commitment and maintain the high standards of care and support expected by our patients, families, supporters and communities. The Kirkwood's strategic response is focused on strengthening employee engagement, leadership capability and organisational culture. During 2026–27 we will increase opportunities for colleagues and volunteers to influence the future direction of the organisation through the development of Change Communities, the Employee Voice Group and the Senior Leadership Community. These initiatives are intended to strengthen communication, build confidence, encourage collaboration and reinforce a compassionate culture where human relationships remain central to how we work.	12

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Key Risk at the end of Accounting period 2025–26		Commentary	Risk Score (1 – 25)
		Alongside this, we continue to invest in workforce planning, recruitment, leadership development and employee wellbeing to ensure The Kirkwood remains an attractive place to work and volunteer, capable of delivering our mission and strategic ambitions into the future.	
2	The Kirkwood's Income does not cover the costs of providing services	The Kirkwood relies on a combination of NHS funding, charitable donations, fundraising activity, retail contribution, grants and legacy income to deliver our services. While the charity's financial position strengthened significantly during 2025–26, and additional NHS funding was secured, the charity remains dependent upon voluntary income to fund a substantial proportion of the care and support we provide. The principal financial risk at the end of 2025–26 is not immediate financial stability, but the longer-term challenge of generating sufficient recurring income to meet rising demand, increasing costs and the ambitions set out within our new Strategic Framework. While legacy income remains an important source of funding, it can be unpredictable and cannot be relied upon as the sole solution to future financial pressures. The Kirkwood's strategic response is focused on building a more sustainable and balanced funding model. This includes continuing to demonstrate the value of hospice care to health and care partners, supporting further investment in services, while strengthening long-term relationships with supporters, volunteers, donors and local communities. During the year, work continued to modernise fundraising and retail operations, alongside exploration of how technology and Artificial Intelligence can support deeper and more personalised engagement with those who choose to support our work. At the heart of our approach is a simple principle: the future sustainability of The Kirkwood depends upon maintaining strong and enduring relationships with the community that provides the funding which makes our care possible. We remain committed to earning and retaining that support through transparency, impact and meaningful engagement.	12
3	The Management of The Kirkwood is Ineffective	The Kirkwood has experienced a period of significant organisational change during recent years, including the implementation of a major financial sustainability programme, the redesign of services and workforce structures, the development of a new integrated clinical model, and the approval of a new Strategic Framework for 2026–2031. While these developments have put us in a much stronger position for the future, they also create a risk that the pace and complexity of change could outstrip organisational capacity and affect successful delivery. At the end of 2025–26, the principal management risk is not the development of strategy, but the organisation's ability to effectively embed change, maintain organisational alignment and translate strategic ambition into consistent delivery. This is particularly	12

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Key Risk at the end of Accounting period 2025–26		Commentary	Risk Score (1 – 25)
		important as The Kirkwood moves from a period of consolidation into one of implementation, growth and service development. The Kirkwood's strategic response is focused on strengthening leadership capacity, capability and resilience across the organisation. During 2026-27, we will establish a Senior Leadership Community to improve organisational alignment, communication and shared leadership, while increasing opportunities for distributed leadership through the development of Change Communities. Additional investment is also being made in key enabling functions, including people and culture, workforce engagement and communications. By strengthening leadership at all levels of the organisation, we aim to ensure that The Kirkwood has the capacity, capability and culture required to successfully deliver its strategic ambitions while maintaining the high standards of care, support and stewardship expected by our stakeholders.	
4	The Kirkwood's Reputation is Affected Negatively	The Kirkwood's reputation is one of its most important assets. The trust and confidence placed in the charity by patients and families, employees and volunteers, supporters, partners and the wider community are fundamental to our ability to deliver care and fulfil our mission. At the end of 2025–26, the principal reputational risk relates to how stakeholders interpret a period of significant organisational change and the outcomes that followed. During 2024–25 and 2025–26, The Kirkwood implemented difficult but necessary changes to restore financial sustainability in response to rising costs, increasing demand and wider pressures affecting hospices across the country. At the same time, the charity continued to pursue a number of long-term strategic objectives, including securing additional NHS investment and strengthening our position within the wider health and care system. As a result of successful delivery of these strategies, combined with exceptional community support, significant legacy income and additional non-recurrent funding, The Kirkwood completed the year in a much stronger financial position than anticipated. There is a risk that the timing and interaction of these factors is not fully understood and that some stakeholders may conclude that the changes implemented were unnecessary or went further than required. The Board and Executive Management Team remain confident that the decisions taken were necessary to protect the long-term sustainability of the charity and ensure that patients and families remained at the centre of decision-making throughout. Our strategic response is focused on continued openness, transparency and meaningful engagement with all stakeholder groups. We are committed to sharing both the successes and challenges experienced during this period, listening carefully to feedback and involving people in shaping the future of The Kirkwood. This approach will be strengthened through	12

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Key Risk at the end of Accounting period 2025–26		Commentary	Risk Score (1 – 25)
		implementation of the new Strategic Framework, the development of Change Communities and engagement activities linked to The Kirkwood's forthcoming 40th anniversary. We believe that trust is built through transparency, consistency and involvement. By continuing to engage openly with our community and demonstrating the impact of our work, we aim to maintain the confidence that underpins The Kirkwood's reputation and long-term success.	
5	Loss of or Imposed Change to Strategic Direction	The environment in which The Kirkwood operates continues to evolve rapidly. Changes in health and care policy, commissioning arrangements, technology, public expectations and wider economic conditions all have the potential to influence the future direction of hospice and palliative care services. There is a risk that significant external changes could alter the context in which The Kirkwood delivers our mission or create pressures that require adaptation of strategic priorities and operating models. At the end of 2025–26, this risk is particularly relevant as health and care systems continue to develop integrated neighbourhood approaches, expectations regarding community-based care increase, and wider societal conversations about death, dying and end-of-life care continue to evolve. Developments in areas such as Artificial Intelligence, workforce transformation and future legislative change may also shape expectations of how care is delivered in the future. The Kirkwood's strategic response is to remain actively engaged in shaping, rather than simply responding to, these developments. We continue to strengthen our influence through partnership working, system leadership and collaboration with organisations across the health, care, academic and voluntary sectors. During the year, this included continued leadership within the health and care system, development of strategic partnerships and exploration of opportunities to strengthen research, innovation and evidence generation. Our ambition is to remain a trusted voice for end-of-life care and to ensure that the needs of patients, families and communities are represented within emerging policy and service developments. By maintaining strong relationships, investing in learning and remaining adaptable, we aim to ensure that The Kirkwood is well positioned to respond to future change while remaining true to our mission, values and purpose.	12

Special acknowledgement

The Trustees would like to express their sincere thanks to the thousands of people who make up The Kirkwood Movement. Patients and families, employees, volunteers, supporters, donors, customers, fundraisers, partners and local organisations have all contributed during an important year for our charity.

Their support has helped The Kirkwood move forward with renewed confidence following the significant changes of the previous year. Whether through giving time, raising money, sharing expertise, working in partnership, shopping with us, advocating for our work or helping us understand what matters most, every

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contribution has strengthened our ability to care for people affected by life-limiting illness and build for the future.

Our supporters and fundraisers

The generosity of our local communities remains fundamental to what makes The Kirkwood the charity it is. The Trustees thank everyone who has donated, fundraised, played The Kirkwood Lottery, supported our shops, volunteered at an event, taken on a challenge, left a gift in their Will or made a regular donation.

We particularly recognise:

- The Ultimate Ball, organised for the first time by a committed group of fundraisers, raising over £50,000 in support of The Kirkwood.
- The Albert Hunt Trust, whose generous support of £30,000 has enabled specific projects to be delivered.
- Holmfirth Art Week, for their continued support of our work including a donation of £20,000 from their event.
- Hanging Heaton Golf Club, which raised more than £34,000 through its Charity of the Year fundraising.
- Reliance Precision Ltd and SB Homes Ltd, each helping to raise more than £11,000 through their fundraising activities.
- The Kirkwood Community support groups in Batley and Birstall, Meltham and Holmfirth, Team Serenity and Sarah's Wish for Kirkwood, for their continuing fundraising, advocacy and connection with communities across Kirklees.
- Everyone who supports The Kirkwood regularly through the Lottery and regular giving donations, providing dependable income that helps us plan confidently for the future.
- Our retail customers, donors and volunteers, whose continued support of our shops contributes both to our income and our connection with communities across Kirklees.

And finally, HM Government for providing £609,721 of capital funding via Hospice UK, supporting improvements to our facilities and infrastructure and helping ensure they remain fit for the future.

Our employees and volunteers

The Trustees thank every employee and volunteer for the commitment, compassion and professionalism they have shown throughout the year.

Following the organisational changes of the previous year, colleagues have established new ways of working while remaining focused on providing outstanding care and support to patients and families. Our volunteers continue to make an extraordinary contribution across our clinical services, shops, fundraising, governance and communities. The Kirkwood simply could not achieve what it does without them.

We also warmly welcome everyone who joined The Kirkwood as an employee or volunteer during 2025–26.

The organisational changes meant saying goodbye to a number of long-serving colleagues. Some left following changes to roles and services, while others made personal decisions that helped the organisation navigate a difficult period. The Trustees are particularly grateful for the generosity, professionalism and commitment shown throughout this time.

We particularly recognise the following colleagues and volunteers who left during the year after many years of dedicated service:

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- Patricia Boyd, Retail Volunteer – Huddersfield, after 25 years of service
- Joanne Martin, Personal Assistant, after 23 years of service
- Rosemary Holland, Clinical Nurse Specialist, after 22 years of service
- Janet Bowman, Staff Nurse, after 22 years of service

During the year, we also experienced the sadness of losing colleagues and volunteers who had been part of The Kirkwood community. We remember Diane Susan Simmons, Shirley Armitage, Andrea Buckley and Susan Dickinson with great affection and gratitude. Our thoughts remain with their families, friends and everyone across The Kirkwood who knew and worked alongside them.

Our partners

Partnership has been particularly important during 2025–26. Working together helped The Kirkwood develop its integrated community model, expand community nursing, support the development of the Virtual Hospice, restore in-patient capacity to 16 beds and secure additional recurrent NHS investment.

We particularly thank NHS West Yorkshire Integrated Care Board, Calderdale and Huddersfield NHS Foundation Trust, Mid Yorkshire Teaching NHS Trust, Locala Health and Wellbeing, Kirklees Council and our wider health and care partners for their commitment to improving care for people affected by life-limiting illness.

We are also grateful to colleagues across the West Yorkshire Hospice Collaborative and NHS partners across West Yorkshire for their continuing work to develop a more sustainable approach to hospice and specialist palliative care, focused on the contribution hospices can make to the future of end-of-life care.

Our partnership with the University of Huddersfield continues to support our ambitions for research, education, workforce development and innovation, and we are grateful for the University's continued commitment to The Kirkwood.

Shaping our future together

This year, more people than ever contributed their ideas and experience to conversations about The Kirkwood's future. We thank everyone who participated in workshops, surveys, focus groups and conversations during the development of our new five-year strategy.

We particularly thank the members of our Strategy Review Steering Group: Asma Sacha, Helen Carr, Helen Woodhead, James Creegan, Jan Thornton, Jayne Anderson, Michelle Cowan, Sadaf Adnan, Ruth Allen and Sunita Morris.

Together, these contributions helped confirm something that has been central to The Kirkwood for many years: our future will be defined not simply by buildings or services, but by the quality of the human relationships and connections we create.

Finally, the Trustees thank the charitable trusts and foundations, businesses, professional advisers, community organisations and many other partners who have supported The Kirkwood throughout 2025–26.

Every contribution is different, and together they make outstanding care possible and give The Kirkwood the confidence to continue building for the future.

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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.

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Charity References and Administrative Details

Charity registration number
512987

Company registration number
01645888

Trustees as of 31st March 2026

Mrs C Black
Miss L A Chapman
Prof J Davies
Mr E Johnson
Mrs P McSorley
Prof P W Roberts OBE
Mr P R Sands
Dr I R Wilson
Mrs C Green
Mrs S Bryson
Mr Mohammed Zabed

Life President
Mr D N Stocks

Chair of Trustees
Miss L A Chapman

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
Mrs L Hall-Bentley RGN/RSCN

Medical Director
Dr S Oxberry MBChB BSc (Hons) FRCP PhD

Director of Fundraising and Marketing.
Mr Ryan Judson BA(Hons)

Associate Director of Retail
Mr Paul Freethy

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Auditor
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12 King Street
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Principal Bankers
Lloyds TSB Bank plc
1 Westgate
Huddersfield
HD1 2DN

Investment Managers
Rathbones
Quayside House
Canal Wharf
Leeds
LS11 5PU

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Auditors

Azets Audit Services Limited were appointed as auditor to the company and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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

Signed by:
Lorraine Chapman
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Miss L A Chapman
Chair of Trustees

24 September 2026

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Kirkwood Hospice
Statement of Trustees' Responsibilities in Respect of the Trustees' Report and the Financial Statements

The Trustees (who are also directors of Kirkwood Hospice for the purposes of company law) are responsible for preparing the Trustees' Annual 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. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

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

In so far as the Trustees are aware:

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

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

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Kirkwood Hospice
Independent Auditor's Report to the Members of Kirkwood Hospice

Opinion

We have audited the financial statements of Kirkwood Hospice (the "parent charity") and its subsidiary (the "group") for the year ended 31 March 2026 which comprise the consolidated statement of financial activities, the company and consolidated balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Other information (continued)

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 they 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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Our responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of identifying irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- Performing audit work over the timing and recognition of revenue and in particular whether it has been recorded in the correct accounting period.

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk 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.

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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Jessica Lawrence
752351B9614435...

Jessica Lawrence (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

Date: 24 September 2026

Chartered Accountants
Statutory Auditor

12 King Street
Leeds
LS1 2HL

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Kirkwood Hospice

Consolidated Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 31 March 2026

	Note	2026 Unrestricted Funds – General £	2026 Designated Fixed Asset Fund £	2026 Restricted Funds £	2026 Endowment Fund £	2026 Total Funds £	2025 Total Funds £
Income and endowments from:							
Donations and legacies	*2*	**3,625,816**	**-**	**8,567**	**-**	**3,634,383**	**2,314,915**
Charitable activities	*3*	**3,882,020**	**-**	**609,721**	**-**	**4,491,741**	**3,255,222**
Other trading activities	*4*	**5,527,247**	**-**	**-**	**-**	**5,527,247**	**5,209,048**
Income from investments	*5*	**181,860**	**-**	**-**	**-**	**181,860**	**124,843**
Total income		**13,216,943**	**-**	**618,288**	**-**	**13,835,231**	**10,904,028**
Expenditure on:							
Raising funds	*6*	**(4,495,622)**	**-**	**-**	**-**	**(4,495,622)**	**(4,254,326)**
Charitable activities	*6*	**(6,523,350)**	**(422,542)**	**(20,788)**	**-**	**(6,966,680)**	**(7,296,568)**
Total expenditure		**(11,018,972)**	**(422,542)**	**(20,788)**	**-**	**(11,462,302)**	**(11,550,894)**
Net gains/(losses) on investments		**201,926**	**-**	**-**	**(478)**	**201,448**	**142,794**
Net income/(expenditure)		**2,399,897**	**(422,542)**	**597,500**	**(478)**	**2,574,377**	**(504,072)**
Transfers between funds	*23*	**(69,488)**	**679,209**	**(609,721)**	**-**	**-**	**-**
Net movement between funds		**2,330,409**	**256,667**	**(12,221)**	**(478)**	**2,574,377**	**(504,072)**
Reconciliation of funds:							
Total funds brought forward	*23*	**5,168,125**	**4,016,518**	**71,603**	**6,593**	**9,262,839**	**9,766,911**
Total funds carried forward		**7,498,534**	**4,273,185**	**59,382**	**6,115**	**11,837,216**	**9,262,839**

The results for the year all relate to continuing operations.

A detailed statement of financial activities for the comparative year is shown in note 29 to the financial statements.

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

The statement of financial activities includes all gains and losses recognised in the year.

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Kirkwood Hospice
Balance Sheet
as at 31 March 2026

		Group		Charity	
		2026	2025	**2026**	2025
		£	£	**£**	£
Fixed assets					
Tangible assets	***14***	**4,273,185**	4,016,518	**4,273,185**	4,016,518
Investments	***15***	**5,173,394**	3,539,715	**5,173,494**	3,539,815
		9,446,579	7,556,233	**9,446,679**	7,556,333
Current assets					
Stock	***16***	**42,245**	55,363	**7,801**	10,542
Debtors	***17***	**2,666,428**	1,001,863	**2,708,315**	1,025,181
Cash on deposit, at bank and in hand		**923,091**	1,729,606	**828,723**	1,646,691
		3,631,764	2,786,832	**3,544,839**	2,682,414
Creditors: amounts falling due within one year	***18***	**(1,241,127)**	(1,070,123)	**(1,217,137)**	(1,038,743)
Net current assets		**2,390,637**	1,716,709	**2,327,702**	1,643,671
Total assets less current liabilities		**11,837,216**	9,272,942	**11,774,381**	9,200,004
Creditors: amounts due after more than one year	***19***	**-**	(10,103)	**-**	-
Net assets		**11,837,216**	9,262,839	**11,774,381**	9,200,004
Charity Funds					
Endowment funds					
Permanent endowment	***23***	**6,115**	6,593	**6,115**	6,593
Restricted funds	***23***	**59,382**	71,603	**59,382**	71,603
Unrestricted funds	***23***	**11,771,719**	9,184,643	**11,708,884**	9,121,808
Total charity funds		**11,837,216**	**9,262,839**	**11,774,381**	**9,200,004**

These financial statements were approved by the board of Trustees on 24 September 2026 and were authorised for issue and signed on its behalf by:

Signed by:
Lorraine Chapman
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Miss L A Chapman

Chair of Trustees

Company registration number: 01645888

The notes on pages 38-56 form part of the financial statements

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Kirkwood Hospice
Consolidated Cash Flow Statement
for the year ended 31 March 2026

	2026		2025	
	£	£	£	£
Net cash flow used by operating activities		**1,131,158**		(524,960)
Cash flows from investing activities:				
Purchase of tangible fixed assets	(679,209)		(159,373)	
Payments to acquire investments	(3,390,612)		(3,063,683)	
Proceeds from the sale of investments	1,958,381		4,600,442	
Interest received	9,115		5,722	
Interest Paid	(365)		505	
Dividends received	172,745		119,121	
Proceeds on disposal of assets	2,375		2,530	
Net cash flow from investing activities		**(1,927,570)**		1,505,264
Cash flow from financing activities				
Payment of bank loan	**(10,103)**		(12,401)	
Net cash flow from financing activities		**(10,103)**		(12,401)
Change in cash and cash equivalents in the year		**(806,515)**		967,903
Cash and cash equivalents at the beginning of the year		1,729,606		761,703
Cash and cash equivalents at the end of the year		**923,091**		1,729,606

Reconciliation of net income to net cash flow from operating activities

	2026	2025
	£	£
Net income/(expenditure) for the year	**2,574,377**	(504,072)
Depreciation charge	**422,542**	309,309
Unrealised loss/(gain) on investments	**(201,448)**	(142,794)
Dividends and interest	**(172,745)**	(119,121)
Interest receivable	**(9,115)**	(5,722)
Interest payable	**365**	(505)
Profit on sale of fixed assets	**(2,375)**	(2,530)
(Increase)/decrease in stock	**13,118**	(1,512)
(Increase)/decrease in debtors	**(1,664,565)**	(241,645)
Increase/(decrease) in creditors	**171,004**	183,632
Net cash outflow from operating activities	**1,131,158**	(524,960)

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Kirkwood Hospice
Notes to the Financial Statements for the Year Ended 31 March 2026

1 Accounting Policies

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

Charity Information

Kirkwood Hospice is a registered charity and a company limited by guarantee, the liability of the members is limited to one pound, and a charity registered in England and Wales. The registered office is 21 Albany Road, Dalton, Huddersfield, HD5 9UY.

Accounting Convention

The financial statements have been prepared on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Kirkwood Hospice meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted in the preparation of the financial statements have remained unchanged from previous years and are set out below.

Going Concern

The charitable group meets its daily working capital requirements through its bank account which had funds of £923k at 31 March 2026. The charity relies heavily upon funding from voluntary donations, legacies and grants, which all contain elements of uncertainty. Given the charitable company's favourable fundraising record and the level of free reserves available at the year end, the Trustees consider that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Kirkwood Hospice Enterprises Limited on a line-by-line basis. The summarised profit and loss account for the subsidiary is shown in note 15. A separate Statement of Financial Activities, including the income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions offered by the Companies Act 2006 and the SORP 2019. The gross income of the charity was £13,835,231 *(2025:* £10,904,028) and the net expenditure was £11,462,302 (*2025:* £11,550,894*)* (before gains/losses on investments in each year).

Fund accounting

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.

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1 Accounting Policies *(continued)*

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.

Income Recognition
All income is 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's 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 income 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.

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1 Accounting Policies *(continued)*

Income recognition (continued)

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.

Expenditure and irrecoverable VAT
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.

Support costs
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 the cost of raising funds and the 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.

Fundraising 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 6.

Pensions
Employees who have previously worked for the NHS are entitled to continue to contribute to the NHS Pension Scheme subject to certain conditions. The NHS Scheme is an unfunded final salary scheme operated by the National Health Service. The contributions are calculated so as to spread the cost of pensions over employees' working lives, whilst they remain in qualifying employment, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of periodic valuations, and any deficit is underwritten by the Treasury.

The scheme is not designed to be run in a way that would enable employers of eligible employees to identify their share of the underlying scheme assets and liabilities, and the scheme is unfunded. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the amount charged against profits represents the contributions payable to the scheme.

Staff not entitled to join the NHS Scheme are automatically enrolled into a defined contribution scheme, in accordance with current pension legislation. In addition, the defined contribution scheme is offered on the same terms to staff not meeting the criteria for automatic enrolment. The amount charged against profits for the scheme represents the contributions payable to the scheme in respect of the accounting period.

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1 Accounting Policies *(continued)*

Staff costs
The costs of short-term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Redundancy costs
Redundancy costs are recognised as an expense when the charity is demonstrably committed to a formal plan to terminate the employment of one or more employees and has no realistic possibility of withdrawal. A provision is recognised when the plan has been communicated to affected employees and the amount of the obligation can be reliably estimated. Redundancy costs include statutory and contractual termination payments, related payroll taxes, and other directly attributable costs.

Investments
Investments (other than investments in subsidiaries) are stated at market value at the balance sheet date.

The investment portfolio, see note 15, is held to generate returns and gains for the group and accordingly is designated as fair value through profit and loss ("FVTPL"). Under this designation the portfolio is revalued at each period end to its fair value, as determined by reference to quoted market prices and values determined by independent fund managers, with any gains or losses going through the statement of financial activity.

Investments in subsidiaries are stated at cost and the Trustees review the carrying value annually for indications of impairment.

Fixed assets and depreciation

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

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.

Donated items of stock for resale are not included in the financial statements until they are sold. The Trustees consider it impractical to assess the amount of donated stock held as there is no system in place to record these items or value them until they are sold. The value of these goods to the charity is instead recognised when they are sold in the shops.

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

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital.

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1 Accounting Policies *(Continued)*

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

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

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Tax
Kirkwood Hospice is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Hospice is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

The trading subsidiary is liable to corporation tax on its chargeable profits. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. As all profits arising in the subsidiary were gift aided to the parent charitable company in both the current and prior financial year, no corporation tax has arisen.

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Depreciation of tangible assets
Depreciation policies have been set according to management's experience of the useful lives of the assets in each category, something which is reviewed annually.

The charity incurs expenditure on creating tangible fixed assets for use in the charity with costs being incurred over a number of months. The Trustees believe it is possible to segregate these costs into identifiable projects, and as such no depreciation is charged on that project until it is brought into use.

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1 Accounting Policies *(Continued)*

Legacies
Legacies are recognised as income when probate has been granted, the charity has established its entitlement to the funds and where sufficient information is available to allow it to measure its entitlement.

2 Income from donations and legacies

	2026	2025
	£	£
Donations	710,868	740,825
Legacies	2,923,515	1,574,090
	3,634,383	**2,314,915**

Included in the above is restricted donations totalling £8,567 (2025: £68,591).

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

	2026	2025
	£	£
Contractual payments	4,491,741	3,207,272
Performance related grants	-	47,950
	4,491,741	**3,255,222**

£609,721 of grants from Hospice UK was restricted in the year. All other income from charitable activities is unrestricted in the current and prior year.

4 Income from other trading activities

	2026	2025
	£	£
Fundraising events	1,079,394	879,243
Lottery	813,355	771,405
Shop income	3,634,498	3,558,400
	5,527,247	**5,209,048**

All income was unrestricted in the current and prior year.

5 Income from investments

	2026	2025
	£	£
Investment income	172,745	119,121
Interest	9,115	5,722
	181,860	**124,843**

All income was unrestricted in the current and prior year.

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6 Analysis expenditure

For the year ended 31 March 2026	Staff Costs 2026 £	Other Costs 2026 £	Depreciation 2026 £	Support Costs 2026 £	Total 2026 £
Raising funds					
Merchandising	2,009,968	1,241,115	72,380	90	**3,323,553**
Lottery	96,458	203,353	-	7,379	**307,190**
Fundraising	395,612	256,422	-	196,974	**849,008**
Investment	-	-	-	15,871	**15,871**
	2,502,038	**1,700,890**	**72,380**	**220,314**	**4,495,622**
Charitable activities					
In-patient care	3,032,553	254,168	54,833	1,300,436	**4,641,990**
Kirkwood Integrated Care Service	1,155,751	15,997	-	482,450	**1,654,198**
Kirkwood Counselling Team	413,762	7,950	-	172,528	**594,240**
Training and Education department	27,231	1,680	-	47,341	**76,252**
	4,629,297	**279,795**	**54,833**	**2,002,755**	**6,966,680**
Employees & Volunteers	241,237	63,184	-	(304,421)	**-**
Finance, IT & Business Information	398,992	184,514	-	(583,506)	**-**
Projects & administration	485,121	426,887	295,329	(1,207,337)	**-**
	1,125,350	**674,585**	**295,329**	**(2,095,264)**	**-**
Total expenditure	**8,256,685**	**2,655,270**	**422,542**	**127,805**	**11,462,302**

All expenditure on raising funds was unrestricted in current and prior year. Included within charitable activities is restricted expenditure totalling £20,788 (2025: £51,978).

For the year ended 31 March 2025	Staff Costs 2025 £	Other Costs 2025 £	Depreciation 2025 £	Support Costs 2025 £	Total 2025 £
Raising funds					
Merchandising	1,941,292	1,120,457	76,936	31,730	**3,170,415**
Lottery	81,321	124,334	-	2,446	**208,101**
Fundraising	446,046	235,868	-	168,896	**850,810**
Investment	-	-	-	25,000	**25,000**
	2,468,659	**1,480,659**	**76,936**	**228,072**	**4,254,326**
Charitable activities					
In-patient care	3,055,356	197,704	34,557	1,086,162	**4,373,779**
Support & therapy centre	203,560	10,717	-	68,758	**283,035**
Community palliative care	1,371,100	14,417	-	475,231	**1,860,748**
Family care team	252,226	10,998	-	87,712	**350,936**
Information and education	280,145	4,611	-	143,314	**428,070**
	5,162,387	**238,447**	**34,557**	**1,861,177**	**7,296,568**
Personnel & volunteers	230,506	81,180	-	(311,686)	**-**
Finance & information	284,136	97,406	-	(381,542)	**-**
Projects & administration	621,645	421,408	197,816	(1,240,869)	**-**
	1,136,287	**599,994**	**197,816**	**(1,934,097)**	**-**
Total expenditure	**8,767,333**	**2,319,100**	**309,309**	**155,152**	**11,550,894**

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7 Allocation of support costs

	Personnel & Volunteers 2026 £	Finance & Information 2026 £	Projects & Administration 2026 £	Total 2026 £
Raising funds	23,967	45,940	95,053	164,960
In-patient care	183,719	352,148	728,633	1,264,500
Kirkwood Integrated Care Service	70,018	134,209	277,693	481,920
Kirkwood Counselling Team	25,067	48,047	99,415	172,529
Training and education	1,650	3,162	6,543	11,355
	304,421	**583,506**	**1,207,337**	**2,095,264**

	Personnel & Volunteers 2025 £	Finance & Information 2025 £	Projects & Administration 2025 £	Total 2025 £
Raising funds	24,789	30,345	98,688	153,822
In-patient care	169,800	207,856	675,999	1,053,655
Support & Therapy Centre	11,313	13,848	45,038	70,199
Community Palliative Care Team	76,198	93,276	303,357	472,831
Family Care Team	14,017	17,159	55,805	86,981
Information and education	15,569	19,058	61,982	96,609
	311,686	**381,542**	**1,240,869**	**1,934,097**

8 Tax charge

The Trust has charitable status, and its investment income and gains are exempt from corporation tax by virtue of the provisions of section 488, Corporation Taxes Act 2010. Furthermore, it is considered that the trading activities of the Trust are carried out as the primary purpose of the charitable company and, accordingly, any element of the operating surplus attributable to such activities is also exempt from corporation tax under the provisions of that section.

9 Investment management costs

	2026 £	2025 £
Investment manager fees	**15,871**	**19,672**

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

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10 Audit fees

	2026	2025
	£	£
Fees payable to the charity's auditor for audit	18,300	17,400
Fees payable to the charity's auditor for other services	7,930	6,925
	26,230	**24,325**

Included within the audit fee is £5,700 (2025: £5,400) for the audit of the subsidiary.

11 Net income/(expenditure) for the year

Net income/(expenditure) is stated after charging/(crediting):

	2026	2025
	£	£
Depreciation of tangible fixed assets	422,542	309,309
Operating lease rentals	326,175	348,083
Trustees indemnity insurance	1,605	1,605
Net losses/(gains) on fair value movement of investments	(201,448)	599,728

12 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2025: £Nil).

The Trustees did not have any expenses reimbursed during the year (2025: £Nil).

The total amount of employee benefits received by key management personnel is £656,172 (2025: £546,793). The charity considers its key management personnel comprises the Chief Executive, the Director of Finance and Resources, the Director of Clinical Services, the Medical Director, the Director of Fundraising & Marketing and the Associate Director of Retail.

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

	2026		2025	
	Average	FTE	Average	FTE
Nursing & medical	**99**	71	**120**	74
Education	**-**	-	**4**	3
Catering & domestic	**19**	13	**22**	16
Administration	**38**	27	**39**	30
Fundraising & marketing	**113**	69	**115**	75
	269	180	**300**	198

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13 Staff costs and employee benefits *(continued)*

The aggregate payroll costs of these persons were as follows:

	2026	2025
	£	£
Wages and salaries	**6,559,668**	7,249,149
Social security costs	**789,656**	632,206
Pension costs	**498,762**	520,816
Consultancy and temporary staff fees	**408,599**	365,162
	8,256,685	8,767,333

Redundancy costs in the year totalled £nil (2025 - £223,573) including social security costs and pension costs. These amounts are included in the figures above.

The number of higher paid employees is disclosed below.

	2026	2025
	No.	No.
£60,001 to £70,000	3	1
£70,001 to £80,000	2	-
£80,001 to £90,000	-	1
£90,001 to £100,000	1	-
£100,001 to £110,000	-	2
£110,001 to £120,000	2	1
£120,001 to £130,000	1	1
£130,001 to £140,000	1	-
	10	6

14 Tangible fixed assets

CHARITY AND GROUP	**Freehold land and buildings**	**Furniture and fittings**	**Total**
	£	**£**	**£**
Cost			
At 1 April 2025	5,650,446	2,955,015	8,605,461
Additions	-	679,209	679,209
Disposals	-	(10,795)	(10,795)
At 31 March 2026	5,650,446	3,623,429	9,273,875
Depreciation			
At 1 April 2025	2,008,225	2,580,718	4,588,943
Charge for year	112,593	309,949	422,542
On disposals	-	(10,795)	(10,795)
At 31 March 2026	2,120,818	2,879,872	5,000,690
Net book value			
At 31 March 2026	**3,529,628**	**743,557**	**4,273,185**
At 31 March 2025	3,642,221	374,297	4,016,518

The cost of freehold land and buildings includes £21,000 *(2025: £21,000)* of land which is not depreciated.

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15 Fixed asset investments

GROUP	Unrestricted Investments	Endowment funds	Total 2026	Total 2025
	£	£	£	£
Opening Balance	**3,533,122**	**6,593**	**3,539,715**	4,933,680
Additions	**3,390,612**	**-**	**3,390,612**	3,063,683
Disposals	**(1,958,381)**	**-**	**(1,958,381)**	(4,600,442)
Realised and unrealised gains/(losses)	**201,926**	**(478)**	**201,448**	142,794
	5,167,279	**6,115**	**5,173,394**	3,539,715

CHARITY	Unrestricted Investments	Endowment funds	Equity investment in subsidiary undertaking	Total 2026	Total 2025
	£	£	£	£	£
Opening Balance	**3,533,122**	**6,593**	**100**	**3,539,815**	4,933,780
Additions	**3,390,612**	**-**	**-**	**3,390,612**	3,063,683
Disposals	**(1,958,381)**	**-**	**-**	**(1,958,381)**	(4,600,442)
Revaluation	**201,926**	**(478)**	**-**	**201,448**	142,794
	5,167,279	**6,115**	**100**	**5,173,494**	3,539,815

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

The historical cost of financial assets measured at fair value through income and expenditure for both the group and charity is £4,569,333 (2025: £3,091,214).

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), with its registered office at the same address as its parent. The charity holds 100 shares of £1 each, these are 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. The results and aggregate amount of capital and reserves are disclosed below:

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15 Fixed asset investments (continued)

	2026	2025
	£	£
Turnover	**277,805**	**265,604**
Cost of sales and administration costs	**(271,654)**	**(276,722)**
Other operating income	**-**	-
(Loss)/profit before tax	**6,151**	**(11,118)**
Tax on (loss)/profit	**-**	-
(Loss)/profit after tax	**6,151**	**(11,118)**
Amount gift aided to charity	**(6,151)**	-
Retained in subsidiary	**-**	-
The assets and liabilities of the subsidiary were:		
Current assets	**133,510**	**133,985**
Current liabilities	**(70,575)**	**(60,948)**
Creditors: amounts falling due after more than one year	**-**	**(10,102)**
Total net assets	**62,935**	**62,935**
Aggregate share capital and reserves	**62,935**	**62,935**

16 Stock

	Group		**Charity**	
	2026	2025	**2026**	2025
	£	£	**£**	£
Catering & housekeeping	**-**	4,114	**-**	4,114
Medical supplies	**7,801**	6,428	**7,801**	6,428
Shop and fundraising goods	**34,444**	44,821	**-**	-
	42,245	55,363	**7,801**	10,542

17 Debtors

	Group		**Charity**	
	2026	2025	**2026**	2025
	£	£	**£**	£
Trade debtors	**8,870**	22,807	**8,824**	22,807
Other taxes and social security	**40,570**	12,278	**35,918**	6,028
Amounts owed by group undertakings	**-**	-	**46,585**	29,698
Prepayments and accrued income	**729,137**	286,265	**729,137**	286,265
Other Debtors	**1,125**	2,934	**1,125**	2,834
Legacies notified in advance	**1,886,726**	677,549	**1,886,726**	677,549
	2,666,428	1,001,833	**2,708,315**	1,025,181

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18 Creditors: amounts falling due within one year

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Trade creditors	**674,892**	313,136	**666,556**	298,785
Other taxes and social security costs	**162,893**	141,832	**162,893**	141,832
Accruals	**223,655**	433,465	**216,855**	426,465
Deferred income – note 21	**77,871**	64,901	**77,871**	64,901
Bank loan	**8,854**	10,000	**-**	-
Other creditors	**92,962**	106,789	**92,962**	106,760
	1,241,127	1,070,123	**1,217,137**	1,038,743

19 Creditors: amounts falling after more than one year

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Bank loan	**-**	10,103	**-**	-
	-	10,103	**-**	-

The bank loan was taken out in July 2022 and will be repaid by monthly instalments over a term of 6 years. The amount repayable in instalments which falls due after more than 5 years from the balance sheet date is £nil (2024: £nil). Interest at 2.5% is due on the amount outstanding.

20 Loans

	Group		Charity	
Bank loans:	**2026**	2025	**2026**	2025
	£	£	**£**	£
Payable within one year	**8,854**	10,000	**-**	-
Payable after one year	**-**	22,504	**-**	-
	8,854	32,504		

21 Deferred income – Group and Charity

	Total 2026	**Total 2025**
	£	**£**
Cost		
At 1 April 2025	**64,901**	100,543
Deferred in the year	**77,871**	2,956,549
Amounts release to income	**(64,901)**	(2,992,191)
At 31 March 2026	**77,871**	64,901

Income has been deferred which has been received in advance for future lottery draws of £65,430 (2025: £63,071) and for funding relating to future periods of £12,440 (2025: £1,830).

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22 Leases

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

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Less than one year	**231,032**	318,692	**231,032**	312,859
Between one year and five years	**134,613**	325,998	**134,613**	325,998
Later than five years	**-**	-	**-**	-
	365,645	644,690	**365,645**	638,857

23 Statement of funds

For the year ended 31 March 2026	**As At 1 April 2025**	**Income**	**Expenditure**	**Gain on investment**	**Transfers**	**As at 31 March 2026**
GROUP	**£**	**£**	**£**	**£**	**£**	**£**
Unrestricted funds						
General funds	5,168,125	13,216,943	(11,018,972)	201,926	(69,488)	**7,498,534**
Designated funds						
Fixed asset fund	4,016,518	-	(306,374)	-	69,488	3,779,632
Hospice UK Capital Programme	-	-	(116,168)	-	609,721	493,553
Total designated funds	4,016,518	-	(422,542)	-	679,209	**4,273,185**
Total unrestricted funds	9,184,643	13,216,943	(11,441,514)	201,926	609,721	**11,771,719**
CHARITY						
Unrestricted funds						
General funds	5,105,290	12,945,289	(10,747,318)	201,926	(69,488)	**7,435,699**
Designated funds						
Fixed asset fund	4,016,518	-	(306,374)	-	69,488	3,779,632
Hospice UK Capital Programme	-	-	(116,168)	-	609,721	493,553
Total designated funds	4,016,518	-	(422,542)	-	679,209	**4,273,185**
Total unrestricted funds	9,121,808	12,945,289	(11,169,860)	201,926	609,721	**11,708,884**
GROUP AND CHARITY						
Restricted Funds						
Hospice UK Capital Programme	-	609,721	-	-	(609,721)	-
Fixed Asset Fund	1,023.47	-	(1,023.47)	-	-	-
Capital Works	45,162	-	-	-	-	45,162
Riser Recliner Chairs	13,377	-	(13,377)	-	-	-
Tilt Wheelchair	4,457	-	-	-	-	4,457
Rota-wash	-	1,426	(1,426)	-	-	-
Falls Beds	-	4,522	(4,522)	-	-	-
Cuddle Bed	6,009	-	-	-	-	6,009
Other	1,575	2,619	(440)	-		3,754
	71,603	**618,288**	**(20,788)**	**-**	**-**	**59,382**
Endowment	6,593	-	-	(478)	-	**6,115**
	78,196	**618,288**	**(20,788)**	**(478)**	**(609,721)**	**65,497**

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Notes to the Financial Statements *(continued)*

23 Statement of funds *(continued)*

For the year ended 31 March 2025	As At 1 April 2024 As restated	Income	Expenditure	Gain on investment	Transfers	As at 31 March 2025
GROUP	**£**	**£**	**£**	**£**	**£**	**£**
Unrestricted funds						
General funds	5,532,125	10,835,437	(11,189,607)	143,443	(153,273)	5,168,125
Designated funds						
Fixed asset fund	4,166,454	-	(309,309)	-	159,373	4,016,518
Total designated funds	4,166,454	-	(309,309)	-	159,373	**4,016,518**
Total unrestricted funds	9,698,579	10,835,437	(11,498,916)	143,443	6,100	**9,184,643**
CHARITY						
Unrestricted funds						
General funds	5,458,080	10,569,833	(10,912,793)	143,443	(153,273)	5,105,290
Designated funds						
Fixed asset fund	4,166,454	-	(309,309)	-	159,373	4,016,518
Total designated funds	4,166,454	-	(309,309)	-	159,373	**4,016,518**
Total unrestricted funds	9,624,534	10,569,833	(11,222,102)	143,443	6,100	**9,121,808**
GROUP AND CHARITY						
Restricted Funds						
Fixed Asset Fund	1,023	-	-	-	-	1,023
Capital Works	45,162	-	-	-	-	45,162
The Kirkwood Chorus	-	1,200	(1,200)	-	-	-
Support Life Delivery	-	25,000	(25,000)	-	-	-
Clinical Educator	-	10,000	(10,000)	-	-	-
Rise Recliner Chairs	-	13,377	-	-	-	13,377
Wheelchair	4,457	-	-	-	-	4,457
Gardening	-	5,250	(5,250)	-	-	-
Cuddle Bed	6,009	-	-	-	-	6,009
Batley & Spen – Care Co	-	7,000	(7,000)	-	-	-
Other	4,439	6,764	(3,528)	-	(6,100)	1,575
	61,090	68,591	(51,978)	-	(6,100)	**71,603**
Endowment	7,242	-	-	(649)	-	**6,593**
	68,332	68,591	(51,978)	(649)	(6,100)	**78,196**

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.

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.

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23 Statement of funds *(continued)*

c) Restricted funds

The Hospice UK Capital Programme Fund relates to the funding received from NHS England via Hospice UK to enable hospices to upgrade their equipment, estates and facilities. This funding came with strict restrictions to ensure it was expended on charitable expenditure only, with the aim to release future capital spend. In total £609,721 was received and it was expended on improving The Kirkwood's commitment to environment sustainability by installing solar panels, LED lighting and two electric support vehicles to replace the petrol vehicles. Investment was made in fire safety, refurbishing our patient treatment rooms, upgrading our telephone system, oxygen manifold system and upgrading our nurse call bell system. Finally, essential tree work and much needed resurfacing to our driveway and onsite parking. The Kirkwood is very grateful for this funding which has been invested wisely to release future large scale capital costs for the next five years. The fund was fully expended and released to unrestricted funds at the end of the accounting period.

The restricted fixed asset fund includes restricted income which has been received for equipment for the charity. The balance of the fund was spent on a Syringe Driver during the accounting period ending 31st March 2026.

The capital works fund are grants received for large projects of a capital nature, there was no change to the fund during the accounting period ending 31st March 2026.

The Rise Recliner Chairs fund was a new fund in 2024/25 to acquire specialist recliner chairs for patients of The Kirkwood. Donations for the fund were received by the Francis Winham Foundation (£10,000) and from Huddersfield Common Good Trust (£3,377). As of 31 March 2025, a brought forward balance of £13,377 related to this fund, all of which was expended during the financial year ended 31 March 2026.

The wheelchair fund relates to specific funds allocated to acquire wheelchairs to continue to support patients of the hospice. As of 31 March 2025, a brought forward balance of £4,457 related to this fund, in which at the end of the financial year ended 31 March 2026, this remains unchanged.

The rota-fund relates to a specialist floor cleaner funded by Hospice Aid. The donation received was £1,426 all of which was expended on the much-needed floor cleaner during the accounting period ending 31st March 2026.

The falls bed fund relates to a specialist bed which support our enabling model of care. An enabling model of care supports our patients to maintain their independence. During the accounting period The Kirkwood received a donation from Towngate to enable The Kirkwood to purchase a falls bed.

The cuddle bed fund receives donations to fund cuddle beds, a recent innovation to provide further comfort and support for palliative care patients. The fund stands at £6,009 from donations received in previous periods, therefore this fund remains unchanged for the year ended 31 March 2026.

Other funds relate to smaller scale projects; this fund had a carried forward balance of £1,575 in 2025/26. During the accounting period total £2,619 was received for contribution towards mattresses, gardening equipment and Christmas gifts for patients. A total of £440 was expended which included £250 for patient Christmas gifts. We would like to acknowledge The Grace Trust, Newlett Homes and Church of St Saviours Ravensthorpe and Thornhill for their generosity in donating the total of £2,619 during 2025/26.

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.

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24 Analysis of net assets between funds

As at 31 March 2026		Tangible fixed assets	Investments	Cash	Other current assets	Liabilities	Total
GROUP		**£**	**£**	**£**	**£**	**£**	**£**
Restricted funds		-	-	59,382	-	-	**59,382**
Unrestricted funds	- Designated	4,273,185	-	-	-	-	**4,273,185**
	- Unrestricted	-	5,167,279	863,709	2,708,673	(1,241,127)	**7,498,534**
Endowment		-	6,115	-	-	-	**6,115**
		4,273,185	5,173,394	923,091	2,708,673	(1,241,127)	**11,837,216**
CHARITY							
Restricted funds		-	-	59,382	-	-	**59,382**
Unrestricted funds	- Designated	4,273,185	-	-	-	-	**4,273,185**
	- Unrestricted	-	5,167,279	769,341	2,716,216	(1,217,137)	**7,435,699**
Endowment		-	6,115	-	-	-	**6,115**
		4,273,185	5,173,394	828,723	2,716,216	(1,217,137)	**11,774,381**

As at 31 March 2025		Tangible fixed assets	Investments	Cash	Other current assets	Liabilities	Total
GROUP		**£**	**£**	**£**	**£**	**£**	**£**
Restricted funds		-	-	71,603	-	-	**71,603**
Unrestricted funds	- Designated	4,016,518	-	-	-	-	**4,016,518**
	- Unrestricted	-	3,533,122	1,658,003	1,047,123	(1,070,123)	**5,168,125**
Endowment		-	6,593	-	-	-	**6,593**
		4,016,518	3,539,715	1,729,606	1,047,123	(1,070,123)	**9,262,839**
CHARITY							
Restricted funds		-	-	71,603	-	-	**71,603**
Unrestricted funds	- Designated	4,016,518	-	-	-	-	**4,016,518**
	- Unrestricted	-	3,533,222	1,575,088	1,035,723	(1,038,743)	**5,105,290**
Endowment		-	6,593	-	-	-	**6,593**
		4,016,518	3,539,815	1,646,691	1,035,723	(1,038,743)	**9,200,004**

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. 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.

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In the year ended 31 March 2025, the charity made contributions to the NHS Pension Scheme totalling £284,123 (2025: £300,766). Employer contributions were 14.38% and employee contributions were in the range of 5.6% 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 5% 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 2025, the charity paid contributions to the schemes totalling £214,639 (2025: £220,049). The contributions are allocated to unrestricted funds.

26 Contingent asset

At the year end the charity had 35 legacies (2025: 22) 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.

27 Financial commitments

There were no contractual commitments for the acquisition of tangible fixed assets in the current or preceding year.

28 Related party transactions

During the year donations totalling £1,509 (2025: £1,391), excluding the value of donated goods, were received from Trustees, none of these had conditions attached. There were no other related party transactions.

29 Consolidated Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 31 March 2025

	2025 Unrestricted Funds – General £	2025 Designated Fixed Asset Fund £	2025 Restricted Funds £	2025 Endowment Fund £	2025 Total Funds £	2024 Total Funds £
Income and endowments from:						
Donations and legacies	2,246,324	-	68,591	-	2,314,915	**1,657,418**
Charitable activities	3,255,222	-	-	-	3,255,222	**2,852,614**
Other trading activities	5,209,048	-	-	-	5,209,048	**4,777,032**
Income from investments	**124,843**	**-**	**-**	**-**	**124,843**	**124,039**
	10,835,437	**-**	**68,591**	**-**	**10,904,028**	**9,411,103**
Expenditure on:						
Raising Funds	(4,254,326)	-	-	-	(4,254,326)	**(3,714,306)**
Charitable activities	(6,935,281)	(309,309)	(51,978)	-	(7,296,568)	**(6,968,243)**
Total expenditure:	**(11,189,607)**	**(309,309)**	**(51,978)**	**-**	**(11,550,894)**	**(10,682,549)**
Net gain on investments	143,443	-	-	(649)	142,794	**347,641**
Net income/ (expenditure)	**(210,727)**	**(309,309)**	**16,613**	**(649)**	**(504,072)**	**(923,805)**
Transfers between funds	**(153,273)**	**159,373**	**(6,100)**	**-**	**-**	**-**
Net movement between funds	**(364,000)**	**(149,936)**	**10,513**	**(649)**	**(504,072)**	**(923,805)**
Reconciliation of funds:						
Total funds brought forward	**5,532,125**	**4,166,454**	**61,090**	**7,242**	**9,766,911**	**10,690,716**
Total funds carried forward	**5,168,125**	**4,016,518**	**71,603**	**6,593**	**9,262,839**	**9,766,911**