

EAST CHESHIRE HOSPICE
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Registered company number 01807691 (England and Wales)
Registered Charity number 515104

EAST CHESHIRE HOSPICE
REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
For the year ended 31 March 2024

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LEGAL AND ADMINISTRATIVE INFORMATION
For the year ended 31 March 2024

Registered Company Number	01807691 (England and Wales)
Registered Charity Number	515104
Constitution	Company limited by guarantee
Principle and Registered Office	Millbank Drive Macclesfield Cheshire SK10 3DR
Auditors	Bright Partnership Chartered Accountants & Registered Auditors 1 Park Street Macclesfield Cheshire SK11 6SR
Bankers	Royal Bank of Scotland PLC 52 Chestergate Macclesfield Cheshire SK11 6BU
Investment Advisors	Quilter Cheviot One Kingsway London WC2B 6AN

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The Trustees (who are also the directors of the charity for the purposes of the Companies Act 2006) who served during the year were:

Mr S W Spinks	Chair	Dr J Mallon	
Mr R Barrow DL MBE	(retired Sep-23)	Dr D A Maxwell	
Dr J Beck	(appointed Sep-23)	Mr N L McArthur	Vice Chair
Mrs G Crawford		Mrs N C Sampson	
Mr S J Dickenson		Mrs K R Waters	
Mrs L Haughton		Mr I Williams	(appointed Sep-23)
Mr J R Lovett	(retired Sep-23)		

All trustees are members of the Company and have no beneficial interest in it. Unless indicated above, they were all trustees at the time that this Report and the attached Financial Statements were approved.

Patrons:	Mr Nick Robinson	Mr J Corrigan (appointed May-23)
	Prof Alistair Burns CBE	Mr M Oliver OBE DL (appointed Nov-23)
	Dr W Mansoor (appointed May-23)	

President: Mr David Briggs CVO MBE KStJ

Vice Presidents:	Mr P Bianchi	Mrs J C Legh (resigned Jul-23)
	Mr N Bianchi	Miss E McVey MP
	Mrs F Brereton	Mr P Morrissey
	Mrs F Bruce MP	Mr D Pollock DL
	Mrs J Clowes	Mr R Raymond
	Mrs C Hayward DL	Mr D Rutley MP
	Dr S Hayward	Lady A Winterton
	Mr M Jones	Sir N Winterton
	Mr P E Jones	Mr R Barrow MBE DL (appointed Sep-23)

Honorary Vice President Mrs E Keefe

Management Team:

Mrs K Johnston	Chief Executive
Dr D Alexander	Medical Director
Mrs R Allcock	Income Generation Director
Mrs S Dale	Director of Quality & Innovation
Ms S Jones	Clinical Director
Mrs S Seabourne	Finance Director

2023/24 A year in the life of East Cheshire Hospice

3rd Team added to our Hospice @Home service

365 Daily huddles joined by healthcare professionals to co-ordinate the care for palliative patients

12 Hospices in Cheshire & Merseyside working together to ensure palliative care is not a postcode lottery

1 Newly refurbished Sunflower Living Well Centre

1,242 People cared for by our compassionate staff and volunteers



753 Attendees welcomed to sessions in Living Well services

8,051 Care visits to patients in their own homes

510 People with dementia and the loved ones who care for them supported by the ECH Dementia team

262 Admissions into our inpatient facility

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In submitting their Annual Report together with the consolidated financial statements of East Cheshire Hospice and its subsidiary for the year ended 31 March 2024, the Trustees have ensured that all financial statements comply with the Charity Act 2011, the Companies Act 2006, and Accounting & Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2019).

CHARITABLE PURPOSE & PUBLIC BENEFIT

The objects and principal activities of East Cheshire Hospice are to provide palliative care and support to people with life limiting illnesses within the communities of Buxton, Congleton, Handforth, High Legh, High Peak, Knutsford, Macclesfield, Poynton, Wilmslow and the 72 villages and hamlets in between, serving a total population of c.200,000. It does this by:

- operating a residential hospice
- providing care to end-of-life patients in their own home
- operating a day hospice wellbeing centre
- operating a range of outpatient clinics
- providing social, psychological and spiritual support services for patients and carers.

The Trustees have carefully considered the Charity Commission guidance on public benefit in setting our objectives and planning our services, which are provided free of charge for the benefit of the public. Our mission is to provide the highest quality care and support to the people we serve. Our values and principles can be summarised by the acronym CARE – compassion, association, resourcefulness and excellence.

- **Compassion:** We ensure we put our patients, their families and carers at the centre of everything we do, and we always act with care and compassion
- **Association:** We work in partnership and collaboration, forming productive alliances in the interests of our patients
- **Resourcefulness:** We make the best use of our resources, ensuring that donations from our communities are directly channelled into the care and support for patients and their families
- **Excellence:** We will act with integrity and treat patients, families, colleagues, collaborators and supporters with respect at all times. We will invest in learning and development for our staff and volunteers – striving for excellence in all we do.

Our Vision

Our vision is that by 2028, East Cheshire Hospice will be at the centre of a whole-system solution delivering or facilitating high quality, seamless, co-ordinated end of life care to people affected by life limiting illness, ensuring they are prepared, supported and cared for in a place of their choosing and with the minimum of stress and anxiety.

ACTIVITIES

East Cheshire Hospice offers both specialist palliative and specialised end of life care and support to adults who are approaching the final stages of life. We extend this comfort and compassion to assist families, caregivers, and loved ones so that they are better able to cope with this life changing event. Our comprehensive range of services is provided without any cost to those in need. We continuously review our services to meet the evolving needs of our communities, including addressing the growing number of patients with frailty, dementia, and complex comorbidities.

This report encompasses the period from 1 April 2023 to 31 March 2024, a year in which the economic impact of the pandemic and geopolitical factors resulted in rapid inflationary hikes. In response, the Bank of England increased its base rate month on month which in turn put pressure on wage demands. This economic backdrop presented a perfect storm for an organisation such as East Cheshire Hospice, reliant as we are on voluntary donations to meet an ever-increasing cost base. The communities, individuals, companies, legators and retail shoppers and donors in East Cheshire continued to support our work but at each quarter in the year one or more of our income streams struggled, reflecting the wider economic climate.

Our frontline and support services are made up of the following key elements:

- **Our Inpatient Unit (IPU)** offers specialist support for patients in the final stages of their lives, providing both end-of-life care and acute symptom management treatment. The IPU is managed by an exceptional team of highly trained palliative clinical specialists who are dedicated to ensuring that our patients receive the best possible care.
- **Our Hospice @Home Service** offers specialised palliative care to patients in the comfort of their own homes, with the aim of preventing unnecessary hospital admissions and allowing them to remain in the place where they feel most at ease. By providing this specialised care, we strive to honour our patients' wishes and enhance their quality of life during this challenging time.
- **Our Sunflower Living Well Centre** is a day hospice that offers a range of nurse-led clinics and therapeutic interventions for individuals with various disease types and conditions, including specialised assistance for conditions such as Dementia and Motor Neurone Disease (MND). Our services encompass a diverse range of offerings, such as a living well programmes, a breathlessness clinic, complementary therapies and guidance on advanced care planning. Our dedicated team ensures that individuals receive the necessary care and support to enhance their overall wellbeing and quality of life.
- **Our Outpatient Facility** offers personalised appointments for essential services that alleviate suffering and help patients manage their symptoms more effectively. These services include physiotherapy, occupational health, lymphoedema management, art psychotherapy, and various complementary therapies. Our goal is to deliver comprehensive care tailored to each patient's unique needs, ensuring they receive the necessary support and treatment to enhance their overall well-being.
- **Our Family Support Services** focus on addressing the practical, social, psychological, and spiritual needs of individuals connected to our patients. These services include pre- and post-bereavement counselling for adults, specialised support for childhood bereavement, and spiritual assistance for

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people of all faiths and those without specific religious affiliations. Our compassionate team, led by a dedicated chaplain, aims to provide holistic care that caters to the diverse needs of our patients' families and loved ones.

- **Our Education and Learning** remain fundamental to the provision of our exceptional services that cater to the needs of our community. We offer a wide range of training opportunities for our volunteers, staff, and colleagues, utilising internal training opportunities and experience as well as attending external events. We continue towards our goal of cultivating a more adaptable workforce that is well-trained, empowered, and capable of seamlessly transitioning across various service areas as needed.
- **Our Dedicated Volunteers** uplift and enrich our Hospice every day, fostering a strong connection between us and our local community. They generously contribute their skills, talents, and unique perspectives to enhance our work in various ways. Whether it's offering support to patients on the ward, staffing our busy reception area, making handmade goods, driving our furniture van, or assisting with fundraising activities, their unwavering support and enthusiasm plays an invaluable role in our Hospice community.

ACHIEVEMENTS AND PERFORMANCE

Over the course of the last year, we successfully delivered enhanced care to more patients and families than ever before and were able to contribute our palliative and end of life expertise and support to the wider system. Operationally our plans were organised under our perpetual Continuous Improvement workstream and a set of multi-year Change Programmes with specific milestones for the year to March 2024, as detailed below.

Continuous Improvement Workstream

This workstream managed the organisation's business as usual service delivery and operational support functions to ensure ECH developed in the right direction, meeting its charitable objects as well as its fiscal responsibilities. The Trustee Board through its scrutiny committees was assured that resources were being managed well in both the clinical and support service areas. Our clinical leaders accepted more referrals into their services than in any year in the history of the Hospice and they were able to maintain quality and increase responsiveness by deploying the team where they were most needed based on patient or carer demand. Our business teams too showed great resilience in the face of funding challenges and were still able to maximise resources using collaboration, new ways of working, smart IT solutions and data intelligence to support high quality patient care.

2023/24 was the third year of our 5-year IT strategy roadmap designed to ensure that ECH stays at the cutting edge of healthcare technology, enhancing patient and staff experience and creating efficiencies in the way we operate. During the year all milestones on our IT roadmap were achieved and our systems and network infrastructure were externally tested for security robustness and gained the Cyber Essentials Plus accreditation.

For a large part of the year our day hospice and outpatient facilities were closed for the refurbishment however spaces in the main hospice site were repurposed and adapted to accommodate and continue running our services, albeit on a slightly reduced capacity than normal.

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As part of our governance improvement programme, the Nominations and Remuneration Committee, worked with trustees to ensure all mandatory training was completed, a streamlined and transparent recruitment and on-boarding process for new trustees was developed, tested and implemented and Board engagement with the workforce was improved. The Board also overhauled how risk was managed in the organisation using improved reporting and monitoring systems.

We are indebted to the staff and volunteers who, with their skills and dedication, have made 2023/24 another year of impressive continuous improvement for the Hospice.

Change Programmes

Our achievement this year fell within four change programmes, developed to drive the organisation further and faster towards achieving its vision, namely:

1. Development of Hospice Dementia Services to ensure ECH has the capacity, competencies and facilities to meet the emerging needs of people dying from or with dementia in our community. This year we achieved the following:

- Launched weekly Dementia Carers Wellbeing Programmes in the five Care Communities in East Cheshire, extending the reach of this award-winning programme to 400 more people with dementia and their carers.
- Collaborated with other statutory and voluntary support services to create a strategy for a system-wide seamless patient and carer experience, with the appropriate level of care delivered when and where they want it and need it
- Fully refurbished our Sunflower Living Well Centre to ensure we have the facilities to deliver simultaneous services in a dementia-friendly environment.

2. Hospice Sustainability to ensure that ECH remains financially and environmentally sustainable, meets our communities' need for high quality care, is the go-to partner organisation for end of life care locally and continues to be the lead innovator in palliative and end of life service provision. This year we achieved the following:

- Added a new team into our Hospice @Home service to increase the number of people we could support to die well in the place they call home.
- Using a generous donation made by Mr Michael Oliver OBE, we were able to further support the local Home First Strategy by adding a dedicated palliative care team to the existing District Nursing team in Knutsford, supporting people and their healthcare professionals throughout the last year of life.
- Adapted our income generation activity to meet the changing needs of our supporters and the challenges of fundraising in a cost-of-living crisis, low-growth economy. Our Individual Giving team was expanded to help us improve relationships and communication between our Clinical and Fundraising teams, leading to enhanced support for families wishing to fundraise for us.
- The Ambassador Group, which helps the Hospice to access seed funding for innovation projects, successfully reached its target to fund the expansion of our Dementia Carers' Wellbeing Programme for the next five years, just one element of the large-scale Dementia Change Programme as detailed above.

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3. Co-ordinated Care Service to fully integrate this service with the wider health and care system by hosting and leading a single point of co-ordination for Palliative and End of Life Care patients, their families and healthcare professionals in the northern part of Cheshire East Place. This year we continued to develop plans for this collaboration, which will ensure everyone in their last year of life will have one number to call, one single source of information and be one multi-agency team working 24/7 across the integrated care system to meet their needs and avoid crisis. This year we achieved the following:

- Instigated daily 'Huddles' where all healthcare professionals supporting a person at end of life meet early in the working day to discuss patients' needs and agree the most appropriate care response.
- Agreed to accommodate and provide support services for the newly introduced role of Community Palliative Care Consultant funded and employed by East Cheshire NHS Trust.
- Collaborated with all health and care system partners to agree new referral pathways and communication channels for palliative patients registered with an East Cheshire GP.

4. Facilities Development to ensure our facilities are fit for purpose, efficient to run and safe to use, we are working through a five-phased redevelopment plan estimated to complete in 2028. This year we achieved the following:

- The Trustee Board approved the use of reserves to fund a £1.3m refurbishment of the Sunflower Living Well Centre designed to make the facility more accessible for those with any form of dementia and to increase the capacity to deliver more services. Despite some delays, the newly refurbished centre was completed by the end of the financial year, ready for its first patients and carers to use. Early feedback has been overwhelmingly positive.
- Migrated our IT services into the Cloud to build resilience and improve our ability to work flexibly.
- Implemented gold-standard cyber security systems and processes which were independently verified for robustness.
- Integrated assistive technologies into the design of the Sunflower Living Well Centre to bring maximum comfort and enjoyment from the use of the space.
- Enhanced our electronic patient record system to make it easier for healthcare professionals to input and access important information regarding patient care.
- Maximised the use of Vantage governance system adding to the number of modules deployed.

FINANCIAL REVIEW

The Statement of Financial Activities is set out on page 22, and a summary of the financial results is given below. The group achieved a surplus on net operating activity of £1,191,341 (2022/23: surplus £1,795,080). The overall result, after allowing for stock market gains and losses on the market value of our investment fund, is a surplus of £1,660,300 (2022/23: surplus £1,284,623).

Income

We benefited from another amazing year of support from our local community and commissioners. At £8.07m, income was only marginally lower than 2022/23, a fantastic result given that 2022/23 was our best funded year ever. Income was bolstered by another exceptional donation from Mr Michael Oliver, with £700,000 donated in 2023/24, following on from £800,000 donated in 2022/23. These exceptional donations are restricted to specific services, ensuring that those services are now funded and will remain viable for several years. Further consideration of income is given below:

Income Generation Activity

The Hospice's fundraising activities have stabilized following a period of volatility over the past few years. It is now clear that the methods by which we generate funds have been permanently impacted by the Covid-19 pandemic, and our team has altered accordingly. Despite these changes, we experienced a busy and productive year, culminating in an annual fundraising income of £2.358 million, surpassing the original budget of £2.152 million.

Commercial

Our retail income continues to flourish, supported in part by a societal shift towards preloved and upcycled shopping. We now have two 'boutique' style shops in Poynton and Chestergate which seek to capitalise on this trend and work hard to maximise their impact with social media and influencer engagement. All of our shops performed above their original budget, generating a total income of £726k against a budget of £661k.

We continue to look for suitable premises to develop new retail space, particularly in Congleton and Knutsford. It is proving challenging to find locations that meet all of our requirements but we are confident that expanding our retail offering will be worthwhile.

Fundraising

Our fundraising calendar this year featured a blend of Hospice-led and Community Events, including the Starlight Walk, Pie & Pint, and Light Up A Life, as well as an impressive array of coffee mornings, open gardens, plant sales, cake sales, quiz nights, fetes, golf days, festivals, balls, and more. Key activities for the year included:

- **Christmas Tree Collection:** This continues to be our most significant fundraising event of the year, generating £152,000 this year thanks to our dedicated team of volunteers who collected over 7,000 trees in one weekend. Special thanks go to our lead volunteers, Pete Chapman and Richard Raymond, the latter of whom celebrated his 25th year of involvement in the collection.
- **Memory Tree Launch:** This year, we introduced our Memory Tree, allowing supporters to leave a lasting tribute to their loved ones with an engraved leaf on a beautiful tree sculpture. To date, 73 leaves have been placed, generating an annual income of over £8,500.
- **Sunflower Tribute Pages:** We received nearly £22,000 this year from these online pages, created to honour loved ones who passed away under Hospice care.

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- **Handmade Goods:** Our 56 dedicated volunteers crafted items through knitting, sewing, crocheting, and more, raising over £16,000 for the Hospice. The team also created more than 100 "pairs of bears," mementos shared between someone nearing the end of life and their family/carer to represent the connection between the two loved ones.
- **Philanthropy:** Our Major Donor activity, now rebranded as Philanthropy, continued its success by meeting its goal to raise £975,000 to fund our community-based dementia services over the next five years. Special events included a Meeting of the Minds at the Jodell Bank First Light Pavilion, featuring Sir Tim Smit, a thank-you event at Arley Hall, and our traditional Christmas Carol Concert at Capesthorpe Hall.
- **Significant Donations:** We are deeply grateful for the exceptional generosity of Mr Michael Oliver OBE, who donated £700,000 this year to fund the Knutsford Home First project, delivering specialised palliative care in collaboration with the NHS.
- **National Lottery Funding:** We were delighted to successfully secure a £250,000 grant over the next five years from the National Lottery to support our dementia services.
- **Camino de Santiago Trek:** Eighteen adventurous participants undertook the famous Camino de Santiago walk this year, raising an impressive £70,000 despite challenging weather conditions.
- **AstraZeneca Partnership:** We were honoured to be one of AstraZeneca's named Charity Partners. In addition to providing invaluable resources and advice, AstraZeneca donated £41,374 to the Hospice in 2023.

Fundraising complaints

We did not receive any complaints about our fundraising activities during the last year. Our fundraising team abides by the Fundraising Regulator's Code of Practice and their Fundraising Promise. We strive always to act ethically and responsibly, using best practice when communicating with our supporters, and we strictly adhere to General Data Protection Regulations (GDPR) processes in relation to data usage.

Funding from statutory bodies

We continue to work closely with our main commissioner, Cheshire & Merseyside Integrated Care Board (C&M ICB). We understand the well documented financial pressures that the health service, and in particular C&M ICB, are operating under. This has impacted on our grant funding, which supports the running of our Inpatient Unit. While C&M ICB increased their grant by £20k to £662k, this was offset by a fall in grant income from Derbyshire ICB, who cut their funding by £21k, a fall of 52%.

We continued to provide additional capacity to the system to support winter bed pressures at Macclesfield District General Hospital. We have also completed a second year under the Palliative Care in Partnership contract, under agreement with Mid Cheshire Hospitals NHS Foundation Trust (MCHT) which provides at home end of life care, enabling us to provide care 24/7 in more patients own homes. The income for both of these services is included in Charitable activities – NHS service contracts.

We are continually looking at ways to engage with our commissioners and this has led to new funding being allocated on a short term, contractual basis rather than as grant funding. This type of funding has tax consequences, potentially reducing the amount of VAT that we can recover on our costs, and thus reducing monies available to support our patients. We intend to review our structure in 2024/25 to ensure that we are maximising our recovery and making best use of our available resources.

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Expenditure

Total costs increased by £523k (8%) in the year to £6,978,250, of which £500k relates to salaries. Staffing remains the single largest cost in the Hospice (74%) as the excellent care our patients and their families receive is reliant on our ability to recruit and retain experienced and highly sought-after care staff. The increase in salary costs is driven both by the 5% NHS Agenda for Change Pay deal announced in May 2023, which the Hospice also implemented, and the additional staffing needed to support clinical service development. Additional staff were recruited throughout the year to support the expansion of our Hospice at Home day service, and in the last quarter of the year in anticipation of the Knutsford Home First and the Community Dementia team services going live in early 2024/25. Staffing costs are planned to increase further in 2024/25 as these new teams embed and deliver much needed services throughout the year.

We are mindful as always of the need to use our donated income and resources in the most efficient way, and to provide the maximum benefit for our patients and their families. We continue to review all our activity to ensure we meet the changing needs of the community we serve.

Investment Objectives and Returns

The Trustees have the power to invest in such assets as they see fit. The Hospice maintains a mixture of liquid funds and longer-term stock market investments which act as both an income stream and reserves. Income flows can be hard to predict, and so cash balances over and above those required for immediate operational purposes are invested in a mix of term deposits to allow for possible funding gaps and in the stock market. The investment portfolio is invested in the Quilter Cheviot Global Income and Growth Fund for Charities, a Charity Authorised Investment Fund (CAIF), which has a similar risk profile to the Hospice's previous discretionary fund with the benefit of reduced fees.

Quilter Cheviot's performance is reviewed quarterly against the Asset Risk Consultants (ARC) Steady Growth benchmark. Returns were mixed during the year, but rallied in 2024, ending the year with an unrealised gain of £569k, more than recovering last year's loss of £510k. The total return on the portfolio for the year to 31 March 2024 was 13.9%, comfortably ahead of the benchmark (9.7%). The performance has been reviewed by our specialist advisory group and Trustees remain confident in the investment holding.

Reserves

At 31 March 2024, the Hospice held total reserves of £17,367,562, an increase of £1,660,300 over the previous year. Total reserves are a mix of restricted - relating to fixed assets or donor intentions, designated – where Trustees have set aside funds for specific projects, and free reserves – used by the charity to manage its in year cash flow. See note 22 on page 35 of these accounts.

Restricted Reserves

Since 2017, the Hospice has adopted a successful strategy of fundraising in advance for major new service developments and only going live with these services when sufficient pledges are received to ensure service viability for 5 years. As this can often take several years to achieve, the Hospice is in receipt of significant restricted funds which can only be spent on specific projects and in future periods. The high restricted balances can give a misleading view of the Hospice's need for additional funding for non-restricted services.

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Of the total reserves, £7,111,714 is restricted, an increase of £1,159,399 in the year, and driven mainly by the £700,000 exceptional donation from Mr Michael Oliver, which is restricted to providing Hospice at Home services in the Knutsford area under the banner Knutsford Home First.

The main restriction is in respect of the Hospice building (£4.6m), an increase of £0.7m in the year, following the renovation of the Sunflower Living Well Centre. Should the Hospice cease to operate, or the building be sold, all proceeds must be returned to the Secretary of State for Health and Social Care.

The remaining restricted funds held at the year-end relate primarily to new service developments:

- Hospice @Home service (£1.0m), which funds the much-needed elements of this service that are not supported by statutory funding from the Palliative Care in Partnership NHS contract.
- The Single Point of Access Project (£437k), which has continued to grow in year, with the service going live in 2024/25.
- The Dementia campaign (£365k), which achieved its fundraising target and began setting up the service in year.

Designated Reserves

The Trustees have designated funds to support service development, facilities maintenance and building development. These will help to support ambitious plans in the fields of dementia, single point of access, and further Hospice at Home expansion, as well as support the maintenance and phased redevelopment of the Millbank Drive site to make it fit for modern services.

Free Reserves

The Hospice's 'free reserves' are those unrestricted funds that are freely available to spend on any of the charity's purposes, and excludes all fixed assets, restricted and designated funds. Free reserves at 31 March 2024 are £6,538,805 compared to £5,885,006 last year.

During the year, the Trustees reviewed the reserves policy and set a range within which it was deemed prudent to hold free reserves. This is based on a minimum level required to support the Hospice through two fallow income generation years and sufficient funds to wind up the Hospice in the event of a forced closure and a maximum level of 12 months' operating costs. Reserves in excess of the minimum are held to support service development and to meet exceptional circumstances.

Risk Management

The Board carefully evaluates the potential risks that the Charity may face. Robust governance systems are in place to supervise risk management across clinical, support services, and business administration, ensuring that high standards are upheld in accordance with best practices, laws, and accreditation requirements. The implemented processes aim to offer reasonable assurance, though not absolute, against significant errors or losses. These include the following:

- identification and management of risks, using an Organisational Risk Register;
- insurance covers for the major financial risks which are reviewed annually;
- a three-year rolling strategic plan and an annual delivery plan with budgets and key performance indicator targets, all approved by the trustees;
- regular consideration by trustees of financial results in comparison with budgets and prior year performance;

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- regular review of financial and non-financial performance indicators and bench-marking reports;
- appropriate levels of delegation of authority and segregation of duties.

The Trustees recognise that the Hospice's reliance on voluntary income to cover the majority of annual operating costs creates a financial sustainability risk. In response, the trustees have adopted a strategy of ongoing enhancement in service delivery and have made investments in income generation to mitigate this risk to the greatest extent feasible.

Demand for ECH services is expected to increase driven by population growth, delayed diagnosis following the pandemic and the organisation's ambition to ensure palliative care is accessible to all who need it. The primary risk faced is the potential for services to be overwhelmed rendering them ineffective. To mitigate this risk, staff numbers will increase, and trustees have tasked the Senior Leadership Team to create a fully rotational workforce which can be deployed to any service facing short-term surges in demand.

Cheshire & Merseyside Integrated Care Board is facing significant budgetary constraints which may have adverse impact on the commissioning of palliative and end-of-life services. There is a potential risk that we may face challenges in obtaining adequate statutory funding to sustain our services at their current levels. To mitigate this risk, East Cheshire Hospice is formally working with ten other adult hospices and one children's hospice in the region to better articulate the contribution and value charitably funded hospices deliver.

PLANS FOR FUTURE PERIODS

Continuous Improvement

Our ambition is and always will be to continuously improve our services to meet the needs and expectations of the people we serve. To achieve this, we make sure that efficiency and effectiveness is embedded in our culture, our plans and in the personal objectives of each individual who makes up our high-performing ECH team. We demonstrate our commitment to this ambition by using data from patient and family feedback, incident reports and the frontline experiences of healthcare professionals to continuously improve what we do so that better outcomes can be achieved for the next cohort of patients and family members.

In 2024/25 we will collect data and experiences to inform how fully integrated services across hospice, community and acute settings impact outcomes for patients and families to inform our service development towards the provision of a seamless patient journey from the point of diagnosis.

Delivery of responsive, effective, safe and caring services - Formal reviews of existing services will be carried out to ensure they are meeting needs within the current funding envelope and to give us an indication of the resources required to address growing demand or enhancement of these services in future years.

People development - We will continue to invest in training for our clinical and non-clinical people whether they are paid employees or part of our dedicated volunteer workforce.

Governance and oversight - In September 2025, the incumbent Chair will have reached the maximum time-served limit of 3x3-year terms of office and so we will begin the process of recruiting the Chair Elect to take up the post in September 2024 and shadow the current Chair for a period of one year.

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Innovation and collaboration - We will continue to be creative in our problem solving, brave in our delivery and be generous in sharing our learning with partners in our Locality (East Cheshire), our Place (Cheshire East), our Region (Cheshire & Merseyside) and nationally through Hospice UK.

Care and business support services - Focus on making efficiencies in our key support services of ICT, Finance, Human Resources including Learning and Development, Hospitality and Facilities

Community Engagement - Enable ECH to fully understand the needs of the communities it serves and help to inform the development of responsive services and increase donor, staff and volunteering opportunities.

Digital Transformation - We aim to be a more productive, secure, digitally agile organisation using new technologies, with reliable IT infrastructure, 'smart' facilities and interoperability with partners.

Data Analytics - Integrate all ECH data sources to give Board/SMT and Team Leaders greater visibility of information for effective monitoring, reporting and timely decision-making.

Change Programmes

1. Development of Existing Hospice Services

Strategic objective: To ensure we have the capacity and capability to deliver or facilitate accessible, relevant and inclusive services which support people and their families to live well whatever their condition.

We will expand and enhance our specialised care to more people dying from and with dementia, heart and respiratory diseases and cancer which are the leading causes of death in East Cheshire. We also aim to help anyone facing end of life challenges whatever their condition. We will review services so that we are better able to offer support from the point of diagnosis for all disease and condition types.

We will develop the productivity, capacity and capability of our existing services, namely, dementia support, Living Well Services, disease specific programmes e.g. MND and family support services such as bereavement and chaplaincy.

Emerging demographic and population health trends indicate that ill-health isolation is a growing issue in East Cheshire. We aim to better understand the problem and work to minimise the impact for people living with a life-limiting condition.

2. Hospice Sustainability

Strategic Objective: To ensure that ECH remains financially sustainable and meets our communities' needs.

This change programme is wide ranging with each element aimed at ensuring ECH has the skills and requisite human, financial and material resources to comfortably maintain prevailing services and ensure the long-term stability and low environmental impact necessary to continue delivering innovative services in partnership with others.

We will seek significant improvements in each of the following areas of our operation:

- Income generation and statutory funding to meet rising costs
- Data-driven decision making

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For the year ended 31 March 2024

- Workforce Planning
- Information Technology
- Deliver our services in a sustainable, low carbon, energy efficient way
- Equality, Diversity and Inclusion

3. System Integration for Palliative & End of Life Care

Strategic Objective: To work with partners to fully integrate our services so that patients and families experience a crisis-free last year of life with choice and control right to the end

Everyone living with a diagnosed life-limiting condition (c.1850 people in East Cheshire) will be accessing the most healthcare they have ever used in their previously healthy life. It is therefore an imperative that the health and social care system, already under so much pressure, works together to serve the needs of this cohort of patients, ensuring they receive the highest quality, most responsive and patient-centred care possible. To support palliative patients, their families and the system, ECH will use its resources to improve access to care in the following areas:

- In partnership with NHS commissioners and providers launch the Palliative Advice Centre in East Cheshire (PACE)
- Work with the five Care Communities in our area to help identify patients earlier in their illness
- Fully integrate ECH Inpatient, Hospice @Home and Living Well services with PACE
- Increase Hospice @Home Resource help identify unwarranted need in support of the continuation of the Palliative Care in Partnership contract with CCICP

4. Facilities Development

Strategic Objective: To ensure our facilities are fit for purpose, efficient to run and safe to use

We will plan the remaining phases of the Hospice Site Re-development, make major changes in how our estate is maintained and upgrade specific facilities remaining cognisant of need to make everywhere welcoming to people living with dementia.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hospice is a charitable company limited by guarantee, incorporated in England and Wales on 10 April 1984 and registered as a charity on 25th April 1984. The company is established under a Memorandum of Association which sets out the objects and powers and is governed under its Articles of Association, as updated in March 2015.

The Nominations and Remuneration Committee is responsible for monitoring and evaluating the trustee recruitment, selection and appraisal process. The governing document requires between 5 and 14 trustees. Board vacancies are identified through regular skills audits and vacancies are filled through a formal recruitment process. The Hospice serves the needs of the broad community, so the Board endeavours to reflect this in the make-up of its membership, whilst meeting the need to have an appropriate mix of professional skills necessary for the day-to-day and longer term running of the Charity. Once appointed to the Board, new trustees undertake an induction programme, supported by

EAST CHESHIRE HOSPICE
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For the year ended 31 March 2024

an existing member of the Board, and are supplied with a comprehensive information pack detailing the responsibilities of their trusteeship. Trustees are elected to serve for a term of three years, but can seek re-election for two further periods, with a total permitted maximum of nine consecutive years.

The Board meets at least four times a year and is responsible, through its committees, for setting and monitoring progress against the Strategic Plan, Annual Delivery Plans and Key Performance Indicators. These meetings are attended by the Chief Executive and members of the management team, who are responsible for the day-to-day running of Hospice services.

The committees are attended by designated Trustees and management team. The committees make proposals to the Board and have approved terms of reference with specific assigned responsibilities. The committees are:

- **Patient Care and Clinical Governance Committee** which is responsible for monitoring patient care/services, partnership and clinical governance, and meets quarterly;
- **Finance and Resources Committee** which is responsible for monitoring and compliance of all matters financial, donor engagement, partnerships, use of technology and all other resources inclusive of human resources, and meets quarterly;
- **Nominations and Remuneration Committee** which meets quarterly is responsible for the appointment of Trustees, Vice Presidents and other key roles as well as the recruitment of the chief executive.

The Finance and Resources Committee reviews all staff pay on an annual basis to determine whether an inflation pay award can be given. The management team is included in this review and receives any increase on the same basis as all other staff.

The Hospice is a member of The End of Life Partnership, a local charity involved in end of life care issues across Cheshire. It also promotes the delivery of high-quality palliative care education in order to ensure all communities are prepared for end of life care. The Hospice does not have any control over this charity, however, along with other hospices within Cheshire, it does provide an annual grant towards its core costs. The Hospice is also a shareholder in the Hospice Quality Partnership, a commercial company set up by hospices nationally to provide more efficient and better-quality procurement in the sector through collective bulk purchasing power.

The Hospice's wholly owned subsidiary, ECH Trading Limited, was established to run commercial retail activities. The subsidiary donates its profits to the Hospice and all related party transactions are provided in the notes to these accounts.

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Trustees (who are directors of East Cheshire 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 Board to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the Board should follow best practice and:

- select suitable accounting policies and then apply them consistently

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For the year ended 31 March 2024

- observe the methods and principles in the Charity Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The Board is responsible for maintaining proper accounting records which 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. The Board is 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.

In so far as the trustees are aware

- 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 in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

Bright Partnership (formerly Heywood Shepherd) were re-appointed as the charitable company's auditors and have expressed their willingness to continue in that capacity.

Approved by the Board on 5 September 2024 and signed on its behalf by:

Mr S W Spinks

EAST CHESHIRE HOSPICE
INDEPENDENT AUDITORS REPORT TO THE MEMBERS AND TRUSTEES OF EAST CHESHIRE HOSPICE
For the year ended 31 March 2024

Opinion

We have audited the financial statements of East Cheshire Hospice (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheet and the consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

- In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast a significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the directors 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

EAST CHESHIRE HOSPICE
INDEPENDENT AUDITORS REPORT TO THE MEMBERS AND TRUSTEES OF EAST CHESHIRE HOSPICE
For the year ended 31 March 2024

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

EAST CHESHIRE HOSPICE
INDEPENDENT AUDITORS REPORT TO THE MEMBERS AND TRUSTEES OF EAST CHESHIRE HOSPICE
For the year ended 31 March 2024

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- We identified the laws and regulations applicable to the company through discussions with trustees and management, and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities SORP FRS102, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- Performed analytical procedures to identify any unusual or expected relationships;

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance;
- enquiring of management as to actual potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from errors as they may involve deliberate concealment or collusion. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Independent Auditor's Report.

EAST CHESHIRE HOSPICE
INDEPENDENT AUDITORS REPORT TO THE MEMBERS AND TRUSTEES OF EAST CHESHIRE HOSPICE
For the year ended 31 March 2024

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

Mr N A Kennington (Senior Statutory Auditor)
For and on behalf of Bright Partnership,
Chartered Accountants
1 Park Street
Macclesfield
Cheshire
SK11 6SR

Dated: 5 September 2024

EAST CHESHIRE HOSPICE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating and Income & Expenditure account)
As at 31 March 2024

	Notes	2024			2023		
		Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Income from:							
Donations and legacies	2	4,434,132	1,153,829	5,587,961	4,620,033	1,403,019	6,023,052
Charitable activities	3	865,314	-	865,314	755,420	-	755,420
Other trading activities	4	1,257,964	6,295	1,264,259	1,239,309	9,494	1,248,803
Investments	5	352,057	-	352,057	223,028	-	223,028
Total		6,909,467	1,160,124	8,069,591	6,837,790	1,412,513	8,250,303
Expenditure on:							
Raising funds	7	1,284,496	624	1,285,120	1,273,652	-	1,273,652
Charitable activity	8						
Inpatient services		2,821,988	93,000	2,914,988	2,639,699	95,668	2,735,367
Day-care and outpatients		754,863	59,075	813,938	651,889	59,902	711,791
Hospice @Home		1,110,599	257,160	1,367,759	963,194	256,422	1,219,616
Family support services		444,364	26,261	470,625	360,424	26,403	386,827
Outreach and education		86,634	39,186	125,820	120,635	7,335	127,970
Total		6,502,944	475,306	6,978,250	6,009,493	445,730	6,455,223
Net gains/(losses) on investments	13	568,959	-	568,959	(510,457)	-	(510,457)
Net income/(expenditure)		975,482	684,818	1,660,300	317,840	966,783	1,284,623
Transfers between funds	22	(474,581)	474,581	-	(5,665)	5,665	-
Net income/(expenditure) for the year		500,901	1,159,399	1,660,300	312,175	972,448	1,284,623
Total funds brought forward		9,754,947	5,952,315	15,707,262	9,442,772	4,979,867	14,422,639
Total funds carried forward	22	10,255,848	7,117,714	17,367,562	9,754,947	5,952,315	15,707,262

The statement of financial activities includes all gains and losses recognised in the year and all amounts derive from continuing activities. The transfer between funds is in respect of movements in fixed assets.

The notes on pages 25 to 36 form part of these accounts.

EAST CHESHIRE HOSPICE

BALANCE SHEET
For the year ended 31 March 2024

	Notes	Group		Charity	
		2024 £	2023 £	2024 £	2023 £
Fixed Assets					
Tangible assets	12	4,978,299	4,193,638	4,978,299	4,193,638
Investments	13	6,056,495	5,487,536	6,056,497	5,487,538
		11,034,794	9,681,174	11,034,796	9,681,176
Current Assets					
Stock	15	337	694	-	-
Debtors	16	519,098	940,828	519,098	940,828
Cash at bank and in hand		6,432,592	5,766,719	6,432,590	5,766,717
		6,952,027	6,708,241	6,951,688	6,707,545
Creditors: amounts falling due within one year	17	619,259	682,153	619,740	682,277
Net Current Assets		6,332,768	6,026,088	6,331,948	6,025,268
Total Assets Less Current Liabilities		17,367,562	15,707,262	17,366,744	15,706,444
Creditors: amounts falling due after more than one year		-	-	-	-
Net Assets		17,367,562	15,707,262	17,366,744	15,706,444
Restricted funds		7,111,714	5,952,315	7,111,714	5,952,315
Unrestricted - general funds		6,792,299	5,860,315	6,791,481	5,859,497
- designated funds		3,344,167	3,894,632	3,344,167	3,894,632
- revaluation reserve		119,382	-	119,382	-
Total Funds	22	17,367,562	15,707,262	17,366,744	15,706,444

These financial statements of East Cheshire Hospice (charity number 515104; company number 01807691) were approved by the Board of Trustees on 5 September 2024 and signed on its behalf by:

Mr S W Spinks

Mr N L McArthur

The notes on pages 25 to 36 form part of these accounts

EAST CHESHIRE HOSPICE

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 March 2024

	2024	2023
	£	£
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities	<u>1,489,635</u>	<u>2,605,761</u>
Cash flow from investing activities:		
Dividends and interest from investments	352,057	223,028
Purchase of property, plant and equipment	<u>(1,175,819)</u>	<u>(141,873)</u>
Net cash provided by / (used in) investing activities	<u>(823,762)</u>	<u>81,155</u>
Change in cash and cash equivalents in the year	665,873	2,686,916
Cash and cash equivalents b/f	<u>5,766,719</u>	<u>3,079,803</u>
Cash and cash equivalents c/f	<u>6,432,592</u>	<u>5,766,719</u>

Notes to the consolidated cash flow statement

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

	2024	2023
	£	£
Net income / (expenditure) for the reporting period	1,660,300	1,284,623
Depreciation charge	241,784	221,636
(Gains) / losses on investments	(568,959)	510,457
Investment income	(352,057)	(223,028)
Loss / (profit) on sale of fixed assets	149,374	-
Decrease/(increase) in stock	357	(523)
(Increase)/decrease in debtors	421,730	517,164
(Decrease)/increase in creditors	<u>(62,894)</u>	<u>295,432</u>
Net cash provided by / (used in) operating activities	<u>1,489,635</u>	<u>2,605,761</u>

Analysis of cash and cash equivalents:

	2024	2023
	£	£
Cash in hand	1,681,251	1,766,719
Notice deposits	<u>4,751,342</u>	<u>4,000,000</u>
Total cash and cash equivalents	<u>6,432,592</u>	<u>5,766,719</u>

EAST CHESHIRE HOSPICE

NOTES TO THE ACCOUNTS For the year ended 31 March 2024

1. Summary of Significant Accounting Policies

General Information and Basis of Preparation

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS102 – effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments, which are included at market value as modified by the revaluation of certain assets. The financial statements are presented in GB Sterling, which is the functional currency, rounded to the nearest Pound.

Basis of consolidation

These accounts consolidate the results of the charity and its wholly owned trading subsidiary, ECH Trading Limited, on a line by line basis. A separate Statement of Financial Activities has not been presented for the charity as allowed by Section 408 of the Companies Act 2006. The net gain of the Hospice for the year is £1,660,300 (2023: net gain £1,284,623).

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are donations which the donor has specified are to be used for specific projects. The aim and use of each significant restricted fund is set out in the notes to these accounts.

Incoming Resources and Debtors

All income is recognised in the statement of financial activities when the Hospice has entitlement to the funds, receipt is probable, and the amount can be reliably measured. The following policies are applied to income:

- Voluntary income is included in full when receivable. Grant income is recognised when the charity becomes unconditionally entitled to it.
- Legacies are included at the earlier of when the Executors notify the Hospice that a distribution will be made, or when a distribution is received. Where legacies have been notified to the Hospice, but the recognition criteria have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Gifts in kind and donated services are recognised within incoming resources and expenditure at an estimate of open market value. The value of services provided by volunteers is not included in the accounts.
- Items donated for resale through the charity's shops are included as incoming resources when they are sold.
- Investment income is included when receivable.
- Lottery income received in advance is deferred and released in the week that the draw takes place.

Debtors are recognised at settlement value.

Resources Expended and Creditors

Expenditure is recognised when there is a legal or constructive obligation to a third party, payment is probable, and the amount is reliably measurable. Irrecoverable VAT is allocated as a support cost. Expenditure is classified under the following activity headings:

- Costs of raising funds are those associated with fundraising activity, including the charity's shops and lottery operations and their associated support costs.
- Charitable expenditure is incurred in the delivery of the charity's activities and services for its beneficiaries. It includes costs that can be directly apportioned and indirect associated support costs.

Grants payable are made to third parties in the furtherance of the Hospice's charitable objectives. Grants are accounted for when the conditions for payment have been met by the recipient, or in full when no conditions have been set.

Redundancy and termination payments are recognised on an accruals basis as a liability is incurred.

EAST CHESHIRE HOSPICE

NOTES TO THE ACCOUNTS For the year ended 31 March 2024

1. Summary of Significant Accounting Policies (continued)

Creditors are recognised where it is probable that a reliably estimated present obligation will result in a payment to a third party. Creditors are recognised at their settlement value.

Support costs

Support costs are those back-office functions that are necessary for the effective running of the Hospice but are not directly involved in providing care. They are allocated between the cost of raising funds and charitable activities as set out in the notes to these accounts.

Tangible Fixed Assets and Depreciation

Tangible fixed assets costing more than £1,000 are capitalised at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, over their estimated useful life as follows:

- Buildings 2 – 10% p.a. straight line depending on the asset nature
- Plant, equipment and vehicles 12.5% p.a. straight line
- Computer hardware 25% straight line

The land at Millbank Drive is included at market value at the time of donation from the Health Authority.

Investments and cash

Listed investments are stated at market value at the balance sheet date. Unlisted investments are valued at cost. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Cash at bank is held to meet the day to day running costs of the Hospice as they fall due.

Stock

Stocks are valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Leases

Rental payable under operating leases are charged to the statement of financial activities in equal annual instalments over the period of the lease.

Pensions

The Hospice contributes to the NHS pension scheme as allowed under direction of the Secretary of State in England and Wales. This is an unfunded, defined benefit pension scheme and it is not possible to identify the assets and liabilities which are attributable to the Hospice. The scheme is therefore accounted for as defined contribution scheme. The Hospice also operates 2 further defined contribution pension schemes. The assets of all schemes are held separately from those of the Hospice in independently administered funds. Contributions payable for the year are charged to the SOFA in line with the activity carried out by the relevant pension scheme member.

Taxation

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

Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of Hospice reserves to be able to continue as a going concern.

EAST CHESHIRE HOSPICE

NOTES TO THE ACCOUNTS
For the year ended 31 March 2024

2. Donations and legacies:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Donations	972,214	951,427	1,923,641	827,305	1,072,207	1,899,512
Legacies	2,100,930	-	2,100,930	2,562,676	-	2,562,676
Community activity	489,711	7,538	497,249	445,817	21,977	467,794
Grants	871,277	194,864	1,066,141	784,235	308,835	1,093,070
	4,434,132	1,153,829	5,587,961	4,620,033	1,403,019	6,023,052

Grants receivable were:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Cheshire & Merseyside ICB – care	499,448	-	499,448	479,933	-	479,933
Cheshire & Merseyside ICB – drugs	108,000	-	108,000	108,000	-	108,000
Cheshire & Merseyside ICB – other	54,929	-	54,929	96,372	35,000	131,372
Derbyshire ICB – care	20,000	-	20,000	41,286	-	41,286
Other grants and trusts	188,900	194,864	383,764	58,644	273,835	332,479
	871,277	194,864	1,066,141	784,235	308,835	1,093,070

The Hospice's main grant agreements are with Cheshire & Merseyside Integrated Care Board (ICB). The ICB makes a contribution to the provision of 24-hour specialist palliative care for patients and families in the East Cheshire region and for drugs. The Hospice has a similar arrangement with Derbyshire ICB as the boundaries of the Hospice's service area extend to parts of Derbyshire.

3. Charitable activities:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Local government and NHS service contracts	795,393	-	795,393	723,567	-	723,567
Other ancillary income	69,921	-	69,921	31,853	-	31,853
	865,314	-	865,314	755,420	-	755,240

4. Other trading activities:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Events and sponsorship	388,427	6,295	394,722	399,590	9,494	409,084
Lottery income	283,289	-	283,289	301,006	-	301,006
Shops	586,248	-	586,248	538,713	-	538,713
	1,257,964	6,295	1,264,259	1,239,309	9,494	1,248,803

EAST CHESHIRE HOSPICE

NOTES TO THE ACCOUNTS
For the year ended 31 March 2024

5. Investment income:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Dividends received	175,769	-	175,769	183,231	-	183,231
Interest received	176,288	-	176,288	39,797	-	39,797
	352,057	-	352,057	223,028	-	223,028

6. Net incoming resources for the year (group and charity):

	2024 £	2023 £
This is stated after charging:		
Depreciation (owned assets)	241,784	221,636
Auditor's remuneration (excluding VAT) - charity	9,500	9,400
Auditor's remuneration (excluding VAT) - subsidiary	1,000	1,000
Non audit fees (excluding VAT)	5,905	4,685

7. Raising funds:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Donations and legacies:						
Staff costs	394,715	-	394,715	321,669	-	321,669
Events and fundraising costs	178,157	-	178,157	219,733	-	219,733
	572,872	-	572,872	541,402	-	541,402
Other trading activity:						
Staff costs	266,878	-	266,878	306,621	-	306,621
Events and fundraising costs	91,411	-	91,411	90,484	-	90,484
Lottery management costs	13,491	-	13,491	12,412	-	12,412
Lottery prizes	79,312	-	79,312	79,600	-	79,600
Shop running costs	154,855	-	154,855	145,473	-	145,473
	605,947	-	605,947	634,590	-	634,590
Support costs	105,677	624	106,301	97,660	-	97,660
	1,284,496	624	1,285,120	1,273,652	-	1,273,652

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For the year ended 31 March 2024

8. Charitable activities:

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Inpatient services:						
Staff and related costs	2,075,647	1,499	2,077,146	2,046,503	1,944	2,048,447
Patient consumables – direct	126,651	-	126,651	111,484	-	111,484
Catering and housekeeping	52,719	407	53,126	51,366	1,078	52,444
Property occupation and repairs	170,301	1,933	172,234	131,894	5,621	137,515
Depreciation	124,929	87,557	212,486	33,376	87,025	120,401
Support costs	271,741	1,604	273,345	265,076	-	265,076
	2,821,988	93,000	2,914,988	2,639,699	95,668	2,735,367
Day care and outpatients:						
Staff and related costs	518,433	14,591	533,024	481,868	15,991	497,859
Patient consumables – direct	7,495	3,904	11,399	6,474	571	7,045
Catering and housekeeping	14,918	97	15,015	14,333	257	14,590
Property occupation and repairs	67,474	726	68,200	50,555	2,518	53,073
Depreciation	55,963	39,222	95,185	14,951	38,984	53,935
Support costs	90,580	535	91,115	83,708	1,581	85,289
	754,863	59,075	813,938	651,889	59,902	711,791
Hospice @Home:						
Staff and related costs	845,600	244,033	1,089,633	736,773	246,106	982,879
Patient consumables – direct	21,800	1,989	23,789	20,703	-	20,703
Catering and housekeeping	1,256	0	1,256	1,116	-	1,116
Property occupation and repairs	16,678	141	16,819	12,542	626	13,168
Depreciation	13,911	9,749	23,660	3,717	9,690	13,407
Support costs	211,354	1,248	212,602	188,343	-	188,343
	1,110,599	257,160	1,367,759	963,194	256,422	1,219,616
Family support:						
Staff and related costs	293,918	753	294,671	259,488	320	259,808
Patient consumables – direct	1,998	100	2,098	1,201	-	1,201
Catering and housekeeping	3,174	0	3,174	2,821	-	2,821
Property occupation and repairs	42,168	357	42,525	31,712	1,583	33,295
Depreciation	35,171	24,650	59,821	9,397	24,500	33,897
Support costs	67,935	401	68,336	55,805	-	55,805
	444,364	26,261	470,625	360,424	26,403	386,827
Outreach and education:						
Staff and related costs	57,489	36,590	94,079	20,850	3,460	24,310
Patient care and consumables	4,397	51	4,448	2,479	3,875	6,354
Patient care – grant	17,200	2,500	19,700	90,330	-	90,330
Support costs	7,548	45	7,593	6,976	-	6,976
	86,634	39,186	125,820	120,635	7,335	127,970

Support costs are now apportioned on the basis of headcount used in each activity.

EAST CHESHIRE HOSPICE

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For the year ended 31 March 2024

9. Allocation of support costs:

	Raising funds £	Inpatient services £	Day care & outpatients £	Hospice @Home £	Family Support £	Outreach/ education £	Total 2024 £	Total 2023 £
Governance costs	6,093	15,667	5,222	12,186	3,917	435	43,520	36,278
Office support	5,839	15,013	5,004	11,677	3,753	417	41,703	41,698
Accounting and payroll	17,003	43,723	14,574	34,007	10,931	1,215	121,453	105,891
Information technology	31,768	81,689	27,231	63,536	20,422	2,269	226,915	191,558
Workforce & volunteers	28,700	73,800	24,600	57,400	18,450	2,050	205,000	225,928
Marketing	10,675	27,451	9,150	21,351	6,863	763	76,253	83,578
Irrecoverable VAT	6,223	16,002	5,334	12,445	4,000	444	44,448	14,218
	106,301	273,345	91,115	212,602	68,336	7,593	759,292	699,149

10. Staff costs and numbers

Staff payroll costs (excluding agency) were:

	2024 £	2023 £
Salaries	4,351,039	3,921,417
Social security costs	405,848	377,790
Employers pension – defined contribution	188,638	171,950
Employers pension – defined benefit	199,497	173,775
	<u>5,145,022</u>	<u>4,644,932</u>

Staff costs includes £nil for redundancy and termination payments (2023: £nil).

The average monthly number of staffs employed during the year on a full time equivalent and headcount basis was:

	2024 No.	2023 No.
Full time equivalent:		
Clinical and patient support staff	81	75
Support – HR & Volunteer, Finance, Marketing, office and ICT	20	19
Income generation staff – retail, lottery and Fundraising	19	18
	<u>120</u>	<u>112</u>
Headcount – all areas:	<u>162</u>	<u>144</u>

The number of staff whose emoluments exceeded £60,000 in the year was:

	2024 No.	2023 No.
£60,000 - £70,000	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	2
£90,001 - £100,000	2	-

Pension contributions of £17,721 (2023: £11,783) were made to a defined contribution scheme in respect of these employees.

The total amount of salary and benefits paid to key management personnel, as identified on page 2 (Legal and administrative details – Management Team) was £457,792 (2023: £422,091). None of the Trustees received any remuneration or benefits from an employment with the charity or related entities.

EAST CHESHIRE HOSPICE

NOTES TO THE ACCOUNTS For the year ended 31 March 2024

During the year no expenses were paid to or on behalf of Trustees (2023: £nil). Trustees donate their time, talent and skills to the smooth running of the Hospice. As well as their ambassadorial duties, they have supported fundraising events and contributed to the commercial activity of the Hospice as Lottery members and by making donations to the shops. In addition to this, the aggregate unconditional donations from Trustees during the year was £19,645 (2023: £48,982).

The Hospice is grateful for the valuable support of all its volunteers who support the work of paid staff in all areas of the Hospice's work.

11. Pensions:

The Hospice, without obligation, contributes to 3 pension schemes for current employees:

- **Scottish Widows Group Personal Pension Plan** - a defined contribution scheme. The Hospice paid employers contributions of £181,460 (2023: £155,666), and the pension creditor at the yearend was £25,702 (2023: £nil).
- **Now Pensions** - a defined contribution, auto-enrolment scheme for staff who do not wish to join the Scottish Widows or NHS schemes. The Hospice paid employers contributions of £7,178 during the year (2023: £6,660), and the pension creditor at the year end was £1,727 (2023: £1,364).
- **NHS Pension Scheme** – an unfunded defined benefit scheme under the direction of the Secretary of State in England and Wales. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. It is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the Hospice is taken as the contributions payable to that scheme for the accounting period. In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

Accounting valuation - A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used. The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

Full actuarial valuation - The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers. The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

During the year, the Hospice paid employers contributions of £199,497 (2023: £173,775) on behalf of employees who were existing members of the scheme before joining the Hospice and are therefore able to carry on their membership under the scheme rules. This is based on a rate of 14.3% of pensionable pay, based on HMT Valuation

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Directions. The pension creditor as at the year-end was £29,187 (2023: £24,961). While the Employer contribution rate has been set at 20.6%, Employers have only been required to make contributions at 14.3% for both 2023/24 and 2022/23. Had the full rate been in force, the Employer contributions in 2023/24 would have been £286,898 (2023: £249,907), an increase of £87,401 (2023: £76,132).

12. Tangible fixed assets (group and charity):

Cost	Freehold Land & Buildings £	Plant & Equipment £	Vehicles £	Computers £	Total £
At 1 April 2023	6,232,818	636,715	101,525	107,916	7,078,974
Additions	986,383	126,087	39,459	23,890	1,175,819
Disposals	(255,457)	(98,182)	-	(98,223)	(451,862)
At 31 March 2024	6,963,744	664,620	140,984	33,583	7,802,931
Depreciation					
At 1 April 2023	2,268,208	489,423	29,256	98,449	2,885,336
Charge for the year	160,200	54,834	17,623	9,127	241,784
Disposals	(106,085)	(98,180)	-	(98,223)	(302,488)
At 31 March 2024	2,322,323	446,077	46,879	9,353	2,824,632
Net book values					
At 31 March 2024	4,641,421	218,543	94,105	24,230	4,978,299
At 31 March 2023	3,964,610	147,292	72,269	9,467	4,193,638

Land and buildings include £336,000 of non-depreciable land.

13. Investments:

Managed Portfolio	2024 £	2023 £
Market value b/f	5,487,526	5,997,983
Additions	31,122	-
Disposals	(31,122)	-
Net investment gains/(losses)	568,959	(510,457)
Market value c/f	6,056,485	5,487,526
Historical cost c/f	5,937,103	5,937,103
The portfolio consisted of:		
Charity Authorised Investment Fund units	6,056,485	5,487,526
Unquoted - Hospices Quality Partnership	10	10
	6,056,495	5,487,536
ECH Trading Ltd - wholly owned subsidiary (see note 14)	2	2
	6,056,497	5,487,538

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For the year ended 31 March 2024

14. Results of Trading Subsidiary:

ECH Trading Limited (Company number 05688814) is a wholly owned subsidiary of East Cheshire Hospice, operating a retail business selling new goods. The results for the year ended 31 March 2024 are:

	2024	2023
	£	£
Turnover	22,102	25,575
Cost of sales and administration	(16,871)	(17,189)
Operating profit	5,231	8,386
Amount gift aided to the charity	5,231	8,386
Retained in subsidiary	-	-
Balance Sheet	£	£
Current assets	820	820
Current liability - amount owed by / (to) parent	-	-
Total net assets	820	820

15. Stocks:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Merchandise stock	337	694	-	-

The amount of stock recognised as an expense in other trading activity during the year for the Group is £8,241 (2023: £8,924) and Charity £nil (2023: £nil).

16. Debtors:

	Group		Charity	
Amounts falling due within one year:	2024	2023	2024	2023
	£	£	£	£
Trade debtors	71,236	48,121	71,236	48,121
VAT recoverable	107,115	11,930	107,115	11,930
Gift aid recoverable	40,835	16,300	40,835	16,300
Prepayments and accrued income	299,912	864,477	299,912	864,477
	519,098	940,828	519,098	940,828

17. Creditors:

	Group		Charity	
Amounts falling due within one year:	2024	2023	2024	2023
	£	£	£	£
Grants payable	-	15,000	-	15,000
Trade creditors	291,485	149,370	291,485	149,370
Amount due to subsidiary company	-	-	481	124
Taxation & social security	93,236	81,365	93,236	81,365
Accruals	146,981	328,327	146,981	328,327
Deferred income	87,557	108,091	87,557	108,091
	619,259	682,153	619,740	682,277
Analysis of deferred income:				
Deferred income b/f	108,091	98,584	108,091	98,584
Income deferred in the year	319,046	352,531	319,046	352,531
Income released in the year	(339,580)	(343,024)	(339,580)	(343,024)
Deferred income c/f	87,557	108,091	87,557	108,091

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Deferred income includes lottery subscription fees and event income received in advance. Lottery income is deferred on receipt and released in the week of the draw. Events income relates to ticket and participator sponsorship monies received in advance of events, which is deferred and released when the event takes place.

18. Contingent assets:

As at 31 March 2024 the Hospice is aware of 34 ongoing legacy cases (6 pecuniary and 28 residuary) where the value is uncertain as estate accounts are still to be finalised – no amounts have been included in income in relation to these legacies.

19. Capital Commitments:

Capital commitments at the end of the financial year for which no provision has been made are as follows:

	2024	2023
	£	£
Contracted	<u>79,629</u>	<u>-</u>

In May 2023 the Hospice entered into a contract for the renovation of the Sunflower Wellbeing Centre, with a value of £1.2m. The capital commitment represents the unfinished element of the build as at 31 March 2024.

20. Operating lease commitments:

At the year end, the group and charity had total commitments under operating leases expiring:

	Land & Buildings	Equipment	Total 2024	Total 2023
	£	£	£	£
Within 1 year	-	-	-	8,440
Between 1 and 5 years	92,000	10,778	102,778	63,946
In more than 5 years	130,167	8,902	139,069	154,000
	<u>222,167</u>	<u>19,680</u>	<u>241,847</u>	226,386

Operating lease payments made during the year were £78,657 (2023: £81,305).

21. Share capital and company status:

The company is incorporated under the Companies Act 2006. It is limited by guarantee and, therefore, does not have any issued share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

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For the year ended 31 March 2024

22. Funds:

	Balance b/f	Income	Costs	Transfers	Gains/ (losses)	Balance c/f
	£	£	£	£	£	£
Unrestricted Funds:						
General	6,198,974	6,909,467	(6,441,546)	(443,555)	568,959	6,792,299
Revaluation reserve	-	-	-	119,382	-	119,382
Designated Funds:						
Service development	1,349,592	-	-	(211,354)	-	1,138,238
Repairs & equipment	425,328	-	(46,360)	(30,465)	-	348,503
Building Development	1,781,053	-	(15,038)	91,411	-	1,857,426
	9,754,947	6,909,467	(6,502,944)	(474,581)	568,959	10,255,848
Restricted:						
Property Funds:						
Hospice Premises	3,928,610	-	(161,179)	837,990	-	4,605,421
Capital Build Fund	227,886	115,010	-	(342,896)	-	-
Equipment fund	5,153	16,564	(1,746)	-	-	19,971
Hospice garden	1,355	500	(1,169)	-	-	686
Service Funds:						
Hospice @Home services	1,140,064	110,308	(234,033)	-	-	1,016,339
Knutsford Home First		700,000	(13,105)	(20,513)	-	666,382
Single point of access service	367,838	74,635	(5,326)	-	-	437,147
Dementia services	203,880	138,327	(6,562)	29,564	-	365,209
Other services	76,466	3,282	(50,184)	(29,564)	-	-
Other Funds:						
Staff Fund	1,063	1,498	(2,002)	-	-	559
Total Restricted	5,952,315	1,160,124	(475,306)	474,581	-	7,111,714
TOTAL FUNDS	15,707,262	8,069,591	(6,978,250)	-	568,959	17,367,562

Unrestricted Funds:

General fund – this is the accumulation of free reserves. **Revaluation Reserve** – is required by the Companies Act 2006 and represents the amount by which investments have been revalued from their historic cost.

Designated fund:

Service development – this represents funds set aside to support the ongoing development and expansion of services with particular emphasis on our ambitious plans in the fields of dementia, single point of access as well as further Hospice at Home expansion.

Repairs and equipment – funds have been designated in year to ensure that the fabric of the Millbank Drive building can be maintained to a high standard. Much of the building is over 30 years old and inevitable repairs to areas such as boilers, windows, roof, plumbing and electrics are starting to be required on a rolling basis.

Building Development – in 2018 plans were drawn up to modernise the Millbank Drive site, making it fit for modern services required by our patients and their families. The plans are phased so that they could be done as and when funding is available. Costs in year of £723,627 relate to Phase 2, the refurbishment of the Sunflower Wellbeing Centre. Planning on

EAST CHESHIRE HOSPICE

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Phase 3, the redevelopment of our original kitchen and staff areas, will commence in 2024-25, and a further £800,000 has been designated in year towards future build phases.

Restricted Funds:

Property Funds - Hospice Premises - this fund represents the net book value of the Hospice's premises at Millbank Drive and includes £300,000 for the land originally donated by the Health Authority. It does not include £36,000 relating to a separate property in Macclesfield. Should the Hospice's activities cease, and the Millbank Drive premises be sold, all the proceeds would be payable to The Secretary of State for Health and Social Care. This obligation is secured by a legal charge over the Hospice's premises at Millbank Drive. The value of the land and buildings is therefore considered to be restricted. The transfers result from movements in the property value arising from capital expenditure and depreciation.

Capital Build Fund – represents grants and donations received to support the development of the building, with income and costs in year relating to the Sunflower Wellbeing Centre.

Property funds - Equipment Fund and Hospice Garden funds represents funds received for the purchase of equipment for all areas of the Hospice, and for the maintenance of the gardens.

Service funds:

The Hospice @Home service is supported by a well-received angel donor campaign. This work has led into the development of Knutsford Home First, a joint project with the NHS to provide at home services in the Knutsford Care Community, paid for by a generous donation from Mr Michael and Jennifer Oliver. Angel donor campaigns have continued in year for both our Single Point of Care and community dementia projects, both of which will become operational in 2024/25. Other service funds represent monies received for the provision of specific Hospice services as requested by donors.

The **Staff Fund** - this represents donations given specifically for the benefit of staff and for staff training. The People and Development Manager is responsible for deciding benefits to be provided.

Transfers between funds:

These reflect the fulfilment of restrictions through the purchase of fixed assets with restricted donations, and depreciation of those restricted assets.

23. Analysis of net assets between funds:

	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£
Tangible fixed assets	372,878	4,605,421	4,978,299
Investments	6,056,495		6,056,495
Net current assets	3,826,475	2,506,293	6,332,768
Group:	10,255,848	7,111,714	17,367,562
Investments	2	-	2
Net current assets	(820)	-	(820)
Charity:	10,255,030	7,111,714	17,366,744

24. Related parties:

There are no related party transactions that require disclosure other than those relating to the trading company (note 14).