

Report and Financial Statements

For the financial period 2 April 2023 to 30 March 2024

Acorns Children's Hospice Trust

(A company limited by guarantee)

acorns

children's hospice

Acorns Children's Hospice Trust
(a company limited by guarantee)

Report and Financial Statements

For the financial period

2 April 2023 to 30 March 2024

Charity number 700859

Company number 2036103

Prepared in accordance with the requirements of:

- > the Charities Act 2011;
- > the Companies Act 2006;
- > Financial Reporting Standard (FRS 102); and,
- > Charity Commission guidance on public benefit statements.

Contents

Overview

A message from our Chairman	3
About Acorns Children's Hospice	5

Strategic Report

Public benefit	7
Outline of the year	7
Financial review	8
Going concern	9
Available reserves policy and financial risks	10
Investment policy and performance	11
Performance monitoring	12
Our administrative details	14
Our advisors	14
Our key people	15
Structure, governance and management	16
Working with our stakeholders: s172 statement	22
Streamlined Energy and Carbon reporting	26
Trustees' responsibilities in relation to the financial statements	28
Disclosure of information to auditors	29
Independent auditor's report	30

Financial Statements

Consolidated statement of financial activities	34
Comparative statement of financial activities	35
Consolidated statement of financial position	36
Charity statement of financial position	37
Consolidated statement of cashflows	38
Notes (forming part of the financial statements)	39

Overview

A message from our Chairman

Welcome to this year's Annual Report and Financial Statements. Let me begin by sharing the very best wishes of everyone at Acorns Children's Hospice with all those reading this report.

This has been an important and pivotal year for the Charity. With Trevor Johnson, our new CEO, coming on board, we have begun to see a number of changes during the financial year.

Our longstanding Director of Care, Emma Aspinall moved on. I should like to recognise Emma's enormous contribution to Acorns in her 14 years as Director of Care. We reached hundreds of lives because of her leadership in care, and we thank her for all that she did.

We also said farewell to Noel Cramer, who had been our Director of Supporter Engagement for 5 years. Noel helped to professionalise our voluntary fundraising and built a strong team who now push forward with the mission critical fundraising challenges which lie ahead.

Our Medical Director, Christine Mott, has been instrumental in reaching out to children and families, as she has become established as a key player in the region's paediatric palliative care community. The impact of this can be seen in a significant increase in the more complex symptom management work and especially our end-of-life work.

Financially our teams have continued to work hard to ensure that even in these challenging times that they adapt and introduce new initiatives. This year has seen the opening of our first Charity Retail Superstore in Pershore, with our second in Erdington opening just before the end of the financial year. We have more of these in the pipeline for the coming years, in order to build a stronger and more sustainable retail contribution.

In fundraising, we saw the return of our first major events since Covid, such as The Worcester Buoys who rowed their way across the Atlantic and the well supported Sahara Trek. We are deeply grateful to all those who supported us in so many ways throughout the year. The strength of our legacy pipeline, along with some significant philanthropic donations from key individuals has shown the long-standing support from all areas of our community.

This year also saw the completion of a refurbishment of our Hydrotherapy Pool at the Worcester Hospice. Supported by The Kildare Trust this important resource was significantly improved. Allowing us to offer hydrotherapy and physiotherapy in a new therapeutic environment. This alongside the doubling of capacity at our Family Care Suite in the Birmingham Hospice fills me and the trustees with real pride as we focus on being here for families in the future.

We faced challenges this year too – the announcement in March 2023 that the government would no longer fund the sector via the Children's Hospice Grant was a particular challenge. At Acorns we have had to put considerable work into engaging with government, has resulted in a commitment to continuing funding for the 2024-25

financial year, but no further. This will require significant effort as we press to make our case that it is time for a fair statutory funding settlement for us and the wider children's hospice sector.

This statutory funding work is part of a focus on the future and as we reach Year 3 of our current strategy, preparations are already well in hand to begin shaping our next strategy for the period 2025-2028.

Despite these challenges I am proud that we continue to be there For Any Child having an impact on hundreds of families. It is of exceptional pride to me and the trustees that this year we became the first non-educational establishment in the world to receive the UNICEF Gold Award for respecting the rights of children.

I want to end my introduction to our Annual Report paying special thanks to three groups of people.

Firstly, our incredible team of staff and volunteers at Acorns. It is inspiring to see the dedication and commitment they bring to their roles.

Secondly, thank you to everyone who has supported Acorns over the past year. The gifts you bring us in time, donated goods and money enable us to continue to be there For Any Child.

Finally, and most importantly, I would like to say thank you to the children, young people and families we care for, often at their most difficult times. All of the trustees are acutely aware of the importance of the service and our role in making sure it is there when you need it. You are a source of inspiration for us and the reason the charity is here.

MT Hopton

Mark T Hopton

Chairman of Acorns Board of Trustees

6 August 2024

About Acorns Children's Hospice

Our charitable purpose

Acorns provides care for babies, children and young people, who are life limited, or life threatened up to the age of 18. We offer a network of specialist palliative nursing care and support for local families. Most of the children and young people that we help require specialist care 24 hours a day, 7 days a week.

We aim to meet the medical, emotional, cultural, religious and spiritual needs of each child and their family. Care is provided in our hospices and in the wider community, including the family home. Our three hospices are:

- > Acorns in Birmingham, based in Selly Oak, supports families from Birmingham, North Warwickshire and Coventry.
- > Acorns in the Black Country, based in Walsall, supports families from Walsall, Sandwell, Dudley, Wolverhampton, Staffordshire and Shropshire.
- > Acorns for the Three Counties, based in Worcester, supports families from Worcestershire, Herefordshire, Gloucestershire and South Warwickshire.

Our vision

Every baby, child and young person living in our region who is life limited, or life threatened and their families will receive the specialist care and support they need.

Our mission

- > To provide essential specialist palliative care services to babies, children, young people and their families across our region.
- > To deliver these services in partnership with others.
- > To champion the cause of children's palliative care.

Our values

At Acorns we are:

- > Caring - We are passionate about getting it right, actively responding to individual needs to deliver the highest quality of care and service.
- > Committed - We are determined to achieve our goals and take accountability for our results.
- > Trusted - We build effective relationships based upon trust by consistently being open, honest and transparent, delivering what we commit to.
- > Collaborative - We actively work together with colleagues and build external partnerships that help us deliver our mission.
- > Courageous - We are brave in challenging the status quo, embracing difference and change.
- > Curious – We are inquisitive and empathetic, putting ourselves in the position of others. We seek to understand the why, exploring different ways to succeed.

What we do

Caring for a child with complex medical needs can place unimaginable demands on a family, both physically and emotionally. When time is short every moment is precious which is why, as well as providing specialist care, we help families to make lasting memories.

Babies, children and young people are eligible for our care if they are life limited or life threatened as a result of an illness in one of the four categories defined by Together for Short Lives (a national UK charity for children's palliative care), as follows:

- > Conditions where curative treatment may fail;
- > Conditions that mean premature death is inevitable;
- > Progressive conditions without curative options; and,
- > Irreversible conditions causing severe disability.

We do everything we can to support families and help them to cope at every stage of their child's life, and beyond. We do this by tailoring a package of services based on the needs of the family and their child.

Our care and support package can include:

- > Emergency and end of life care;
- > Short breaks in one of our three hospices;
- > Pre- and post-bereavement care;
- > Children, young people and sibling services; and,
- > Outreach services (care and support provided in people's homes).

Each of our hospices are purpose built with 10 specially decorated bedrooms catering for children and young people from birth to 18 years of age. They are designed to provide an environment to help children enjoy their stay and make the most of every day.

Areas of the hospices include complementary therapy rooms and hydrotherapy pools and spas as well as the bedrooms and dining facilities. In addition, there are activity areas with up-to-date IT equipment and multisensory rooms for relaxation as well as enabling the children to experience noises, lights and touch.

Each hospice has a temperature controlled special bedroom where a child or young person can stay after their death so they can be cared for and visited by their family before their funeral.

Where we work

Since we opened in 1988, we have grown to become the UK's largest children's hospice charity. We provide vital care for children and families, including those who are bereaved, across Birmingham, Gloucestershire, Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire.

Strategic Report

Public benefit

We refer to the Charity Commission's general guidance on public benefit to ensure our activities are consistent with our aims and objectives.

We are here to provide care to life limited and life threatened children living in the communities in which we work. Our hospice care is free at the point of delivery but is paid for by public money, voluntary donations including legacies, and retail profit. The following sections of this report aim to provide a snapshot of the key activities we have undertaken this year to meet our charitable objectives.

Outline of the year

This report reflects changes to the political and healthcare landscape during 2023/2024, which resulted in a challenging year for Acorns along with some significant successes across the organisation. In May 2023, the World Health Organisation declared that it no longer considered Covid 19 to be a global health emergency, although healthcare organisations, including Acorns Children's Hospice continued to experience some lasting effects. The continuing war in the Ukraine and cost of living crisis also resulted in increased costs for the organisation and the children and families that we care for, as well as our ability to raise much needed funds.

We saw the Coronation of King Charles in May 2023, and our staff and hospices celebrated along with the nation, and in a year of political uncertainty and change, the announcement of a general election in July 2024 may cause delays with negotiations around the continuation of the Children's Hospice Grant which has been extended until 2025 via NHS England and Integrated Care Boards (ICB's). The hospice movement is working hard alongside Together for Short Lives (TfSL) and Hospice UK (HUK), to lobby government for a continuation of the grant beyond 2025, as the annual award of £25 million to children's hospices is crucial to the continued provision of hospice care.

Our dedicated and loyal staff teams across the whole organisation in care, income generation and central teams, have continued to work tirelessly to ensure that the in hospice and Outreach care is provided to the children and families who so desperately need our support and remain the focus of all that we do.

During the year we saw a major pool refurbishment at our Worcester Hospice and our hospice in Birmingham benefitted from a new kitchen and our newly refurbished Family Care Suite which opened in 2024, honouring Acorns founding Chief Executive John Overton.

2023 saw the departure of Emma Aspinall our Director of Care and in March 2024 Katie Burbridge joined us from St Giles as Director of Care and Executive Nurse. Katie brings a wealth of clinical experience and has been warmly welcomed to the team. Our Executive Director of Supporter Engagement Noel Cramer also departed for pastures new in January 2024 and Vicki Rowles our Director of Fundraising has been appointed Interim Executive Director.

Investment into our Fundraising team saw the recruitment of 14 new roles during 2023 and 2024 and with the team now at full capacity, it has developed a 'Help Can't Wait' Campaign, to support our ambitious plans. This will be supported by the setting up of an Acorns Philanthropy Board, our Business Ambassador network and major events.

April 2023 saw the implementation of our new fundraising database creating additional opportunities in our ability to communicate effectively with our donors and supporters, reach more diverse audiences and automate our processes. Our Marketing & Communications team

also introduced a more efficient email communication tool which allows us to reach more of our audiences.

Our Stronger Together film, showing the emotional journey of the children and families we care for, was launched in December 2023 and a PR event at the University of Birmingham in December caught the attention of the media, when our team displayed 975 chain links, representing the 975 families who we cared for during the year. Our media reach continues to increase, allowing us to raise awareness and support amongst our local communities.

The Retail team have expanded our retail estate, with two superstores opening in Erdington and Tewkesbury, taking the total number of stores to 44, and efficiencies in digitalisation and shopper loyalty has seen our shop network and trading ability increase.

We are working hard to build sustainability across all areas of the organisation and a Sustainability Steering Group has been established with the aim of decreasing our carbon footprint and creating sustainable income streams for future successes.

In conclusion, a huge thank you must be given to all our supporters and volunteers, from our Patrons, Vice Presidents, Board of Trustees, to our hospice, retail, fundraising and central volunteers. We simply would not be here without the hard work and dedication of all our supporters and volunteers who give their donations, skills and time freely to support Acorns children and families.

Financial review

The result for 2023-24 was a surplus of £0.781million (2022-23: £1.276 million). We made an operating cash deficit for the financial period of £2.370 million (2022-23: surplus £3.268 million). Available reserves at the end of the reporting period were £7.855 million (2022-23: £9.402 million)

Income

Total income for the year was £20.957 million (2023-24: £18.591 million).

Our incredible and loyal supporters continued to support the Charity with donation income amounting to £4.881million (2022-23: £4.726 million).

Legacy income amounted to £3.764 million (2022-23: £2.688 million), highlighting this incredibly important source of income.

Our shops produced income of £6.814 million (2022-23: £6.175 million). Exemplary performance by the retail team achieving an outstanding level of income for the year, primarily by further leveraging a proven and established model.

We are extremely grateful to all those who supported our work by donating cash, donating goods or spending in our shops, leaving a bequest to the Charity during the year or volunteering.

Expenditure

Expenditure for the year totalled £20.544 million (2022-23: £17.194 million) largely reflecting the increased spend on our charitable activities.

We invested in our fundraising activities to deliver income to provide services to our children and families. Setting shop running costs to one side, we spent 84.6 pence in every £1 on care services (2022-23: 84.5 pence).

Cashflows From Operating Activities

The Consolidated Statement of Cashflows is shown on page 38. Total cash used from operations amounted to £2.370 million (2022-23: provided £3.268 million). The main reason for the cash movement in the year was due to the timing of legacy income receipts, which by their very nature, can be difficult to predict.

Going Concern

The Charity's financial position and performance has been outlined in the financial review above. The trustees have assessed projected future income, expenditure and cashflows over the period to August 2025 and considered the Charity's available reserves and liquid assets as well as its ability to withstand a material decline in income. Consideration has been given to the stability, predictability and diversity of various income streams in making this assessment.

Trustees believe the Charity's financial resources and contingency planning is sufficient to ensure the continuation of the Charity as a going concern for the foreseeable future. Consequently, the financial statements have been prepared on a going concern basis.

Available reserves policy and financial risks

Acorns available reserves policy aims to ensure the Charity has the financial capacity needed to safeguard the provision of vital services to beneficiaries from the adverse financial effects of significant unforeseeable changes in income and expenditure taking one year with another.

Acorns available reserves policy also provides financial capacity in the event unforeseen external factors lead to unavoidable and significant reductions in service levels. In the event of any material pressure on the Charity's operations, available reserves would assist the Charity in honouring its commitments to beneficiaries, employees, supporters and creditors as it scaled back its operations.

The Board's policy target for available reserves is £7.500 million \pm 15 per cent. The target was calculated following an assessment of the potential risks to income, expenditure and investment values. Available reserves at year end were £7.855 million (2022-23: £9.402 million), within target range. The Designated Capital Projects Fund increased during the year. The balance remaining reflects our future plans for the refurbishment and improvement of our other Hospice assets, investment in retail expansion, as well as streamlined provision for head office accommodation after the expiry of the current lease term.

Available reserves are calculated in accordance with Charity Commission guidance as follows:

	£'000
Total Reserves	24,438
Less	
Restricted Reserves	(454)
Designated – Intangible Fixed Assets Fund	(125)
Designated – Tangible Fixed Assets Fund	(12,179)
Designated – Investments in Associates Fund	(225)
Designated – Capital Projects Fund	(3,600)
Available Reserves	7,855

We manage financial risks by regularly reviewing our financial plans and income pipelines, through strong financial management, by monitoring performance rigorously and by seeking specialist advice as necessary.

Investment policy and performance

We review our investment policy regularly to ensure we make effective use of cash resources that are surplus to our immediate operational needs. Our investment policy incorporates our ethical investment statement. The Board seeks to provide income and capital growth over the long term (a period of at least ten years) and invests in the following asset classes: equity securities, fixed income securities, money-market instruments, cash deposits, and other funds managed by the appointed investment manager.

Acorns investment manager for 2023-24 was Barclays Wealth Management. We used the Barclays Charity Fund for our longer-term investment as it complies with our investment policy. We granted our investment manager the power to invest our funds at their discretion within the parameters agreed with them regarding asset allocation in pursuit of agreed targets. Our ethical investment statement excludes investment in tobacco manufacturing companies or any company whose objectives may directly conflict with ours. The investment manager uses services provided by Ethical Investment Research and Information Services (EIRIS) to screen investments.

The investment manager provides written reports on fund performance monthly and compliance with the ethical investment statement every six months. The investment manager attends the Resources Assurance Committee twice a year to discuss performance and compliance with trustees. The following table summarises the investment fund performance for the financial period and from the inception of the fund.

Performance Overview

Portfolio Performance (%)						
⁶ Daily True Time Weighted	Period (2-Apr-23 to 30-Mar-24)	MTD	QTD	YTD	3 Years Annual.	Since ⁴¹ Inception Annualised
Investment Portfolio Return	10.02	2.30	3.36	3.36	4.43	3.78
³² Blended Benchmark Return	10.74	2.77	4.20	4.20	6.36	4.50
¹² Excess Return	(0.72)	(0.47)	(0.84)	(0.84)	(1.93)	(0.72)
¹³ Reference Market Indices Returns						
Barclays Capital Global Aggregate (GBPH)	3.49	0.88	(0.05)	(0.05)	(1.97)	(1.28)
MSCI AC WORLD - NET RETURN (£)	20.60	3.28	9.19	9.19	9.98	10.14
FTSE 100 - TOT RETURN IND (£)	8.38	4.85	3.99	3.99	9.54	5.29
Bank of England Base Rate	5.01	0.41	1.28	1.28	2.48	1.83

The Barclays Charity Investment Fund is a long-term investment, in excess of ten years, for a moderate risk appetite. The Fund performance was a gain of 10.02% (2023: loss of 3.60%) whilst the Blended Benchmark return was a gain of 10.74% (2023: loss of 2.38%) an underperformance against the Blended Benchmark of 0.72% (2023: underperformance 1.21%). Whilst the Blended Benchmark is an appropriate comparator, it does carry a higher proportion of commodities (oil, gas, wheat etc.) than the Fund. These commodities have

experienced significant returns which reflects in the higher gain of the Blended Benchmark performance compared to the Fund.

Trustees' investment policy is to protect cash balances in excess of working capital requirements from risk of loss, in particular loss as a result of counterparty risk. Counter party risk is minimised by placing funds with Blackrock Money Market Fund (similar to cash). In these funds the underlying assets are well diversified, significantly reducing the risk of single institution failure.

Performance Monitoring

In 2022/23 we launched our new "For Any Child" strategy. This strategy was written in order to increase our reach in both the number of children and families we offer services to and the uptake of individual services available. Ensuring that all those who would benefit from our support are able to access it.

Over the three years of the strategy we have set six strategic goals:

1. A responsive, inclusive and quality care service;
2. More care partnerships reaching more families;
3. Acorns recognised as a great place to work and volunteer;
4. Engaging our diverse audiences;
5. Investing sustainably in care; and,
6. Excellence as a charity.

The following table shows our performance against goal aligned Key Performance Indicators (KPI's).

Our future plans

Key to our organisational performance is the new strategy which will cover the financial years 2025 to 2028. This forms an important part of how we will develop. We will continue to deliver our clinical and family care services from our three hospices. We have ambitious refurbishment plans for the hospices. In addition, we look to develop our sustainable income through fundraising innovation and retail acquisition.

Goal	KPI	Target	Actual
1. A responsive, inclusive and quality care service.	<i>Newly registered children.</i>	<i>A 10% annual increase.</i>	<i>186 additional children. This is a 30% increase on last year and shows the higher levels of need and access.</i>
2. More care partnerships reaching more families.	<i>Total value of commissioning partnerships.</i>	<i>£2,441K</i>	<i>£2,523K.</i>
3. Acorns recognised as a great place to work and volunteer.	<i>Clinical Establishment vacancy rate.</i>	<i>4.0%.</i>	<i>11.4%. A continued improvement against the reported performance of 14.0% last year.</i>
	<i>Employee Net Promotor Score across Acorns</i>	<i>30</i>	<i>34</i>
4. Engaging our diverse audiences.	<i>Number of contactable supporters.</i>	<i>30,000.</i>	<i>27,250. Good performance against a challenging target.</i>
	<i>Media reach</i>	<i>110 million.</i>	<i>406 million.</i>
5. Investing sustainably in care.	<i>Overall Trust performance v budget.</i>	<i>A balanced budget.</i>	<i>£781K surplus.</i>
	<i>Net voluntary fundraising contribution excluding legacies.</i>	<i>£2.935m.</i>	<i>£3.759m. Based on year end management accounts.</i>
	<i>Net retail profit.</i>	<i>£1.853m.</i>	<i>£1.806m.</i>
6. Excellence as a charity.	<i>Mandatory training completion rate.</i>	<i>95%.</i>	<i>95%.</i>
	<i>UNICEF Award.</i>	<i>Gold.</i>	<i>Gold.</i>

Our administrative details

Charity number: 700859.

Company number: 2036103.

Registered Office: Drakes Court, Alcester Road, Wythall, Birmingham, B47 6JR.

Our Advisors

Auditors: RSM UK Audit LLP, 103 Colmore Row, Birmingham, B3 3AG.

Bankers: Barclays Bank PLC; One Snowhill, Snow Hill Queensway, Birmingham, B4 6GN.

Solicitors: Gateley PLC, One Eleven, Edmund Street, Birmingham, B3 2HJ.

Investment Managers: Barclays Wealth Management, One Snowhill, Snow Hill Queensway, Birmingham, B4 6GN.

Our Key People

Board of Trustees

The Charity is governed by the Board of Trustees. Trustee biographies are available on our website. The following trustees served during all or part of the year:

Name	Role(s)	Changes
M T Hopton	Chair, Board of Trustees Chair, Chairs Committee	-
P Dison	Deputy Chair, Board of Trustees Chair, Retail Assurance Committee Chair, Acorns Children's Hospice Trading Ltd	-
G Ahmad	Chair, Care Assurance Committee	-
Prof T Barrett	Trustee	Retired 9 May 2023
L Bull	Trustee and Designated Safeguard Lead	-
A David	Chair, Resources Assurance Committee	-
A Ewer	Trustee	Appointed 1 January 2024
K Heslop	Trustee	Appointed 5 March 2024
B M Jones	Trustee	Retired 14 May 2024
J Ladbrooke	Chair, Board Development Committee	-
R Leonhardt	Trustee	Retired 14 May 2024
K McNamara-Goodger	Trustee	-
C Maddox	Trustee	-
G Muth	Trustee	-
D Munton	Trustee	-
R O'Donoghue	Chair, Fundraising, Marketing & Comms Assurance Committee	Appointed as Chair 5 March 2024
G O'Hara	Trustee	Appointed 5 March 2024
P Riley	Chair, Fundraising, Marketing & Comms Assurance Committee	Retired 5 March 2024
A S Ubhi	Trustee	-
B Waris	Trustee	-
S Watson	Trustee	-

Indemnity insurance is in place for all Trustees and Executive Directors.

Key Managers

Membership of the Directors' Team during the year was as follows:

Name	Role	Changes
T Johnson	Chief Executive	
M Bullock	Chief Operating Officer and Director of People & Culture	
E Aspinall	Director of Care	Ceased 30 June 2023
K Burbridge	Executive Nurse and Director of Care	Appointed 4 March 2024
N Cramer	Director of Supporter Engagement	Ceased 31 January 2024
V Rowles	Interim Director of Fundraising	Appointed 15 April 2024
S Lorking	Chief Financial Officer and Company Secretary	

Structure, Governance and Management

Acorns was incorporated on 10 July 1986 as a company limited by guarantee. It is a registered charity. The appointed directors of the company (our trustees) also fulfil the role of company owners (our members) during their tenure as a trustee. Our members are not shareholders because the Trust is a company limited by guarantee with the liability of members limited to £1.

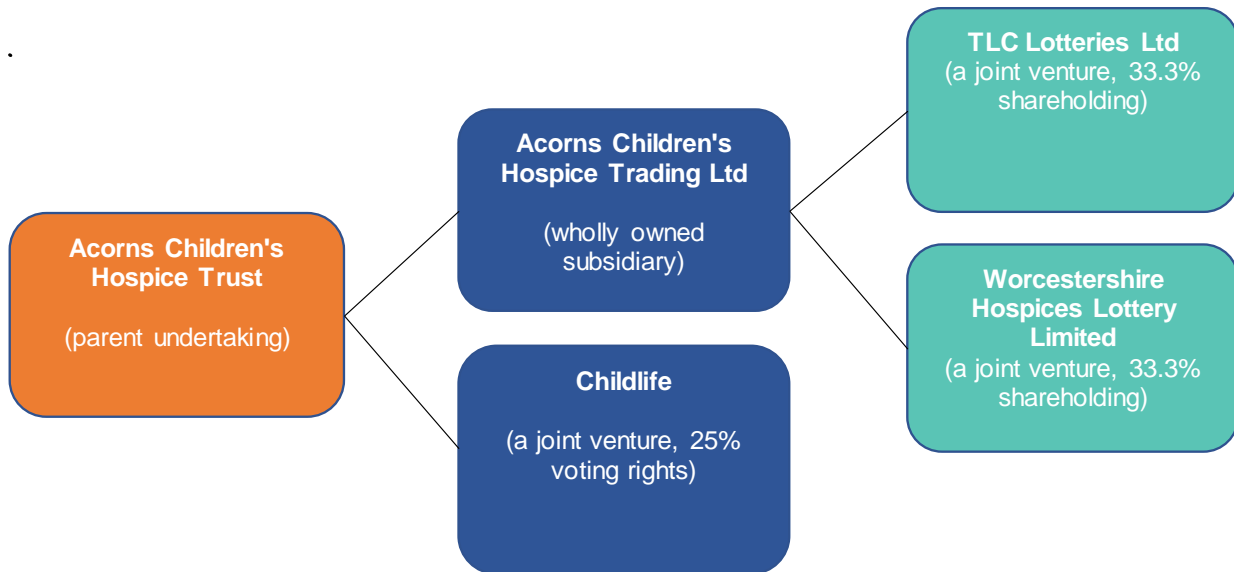
An individual member cannot acquire a controlling interest (more than 25 per cent of voting rights) as an owner of the Trust because the Trust's Articles of Association (dated 13 February 2020) provide for a minimum of 12 members and give each member an equal voting right. Matters that must be referred by the trustees (directors) to the members (owners) for decision are limited, the main ones being changes to the Articles of Association and the appointment of a new auditor.

The Board of Trustees is accountable for governance, strategic direction and financial reporting. The Chief Executive together with his Directors' Team supports the Board of Trustees with these tasks. The Board has established a comprehensive governance framework through which trustees discharge their collective and personal responsibilities for controlling and managing the organisation. The Board keeps the governance framework under continuous review and undertakes a full review on a 3 yearly cycle.

Our Group Structure

The Acorns group comprises the Trust, its wholly owned trading subsidiary and three joint ventures (JVs). The Trust produces consolidated or group accounts that include the results of all five entities. The following structure chart shows the relationships between the entities within the group:

Acorns Group Structure



Acorns Children's Hospice Trading Limited

The trading company is the Charity's wholly owned trading subsidiary. Its purpose is to generate income to support the Charity's objectives by selling new goods at a profit in the Trust's network of shops, which are located across the heart of England. The trading company acts as the Trust's agent for an HMRC approved Gift Aid scheme for donated goods. It transfers its profits to the Charity using the HMRC Gift Aid scheme for corporate donations. Its financial statements are consolidated into those of the Charity. Its results are set out in note 3 to the financial statements (page 47). In addition to these activities, the Board of the Trading Company also reviews the activities of the two joint venture lotteries.

Joint Ventures

Acorns is equal part-owner with other charities of three joint ventures whose purpose is to generate income. The details are as follows:

- > **TLC Lotteries Limited** is a joint venture with Focus Birmingham and The Hospice Charity Partnership.
- > **Worcestershire Hospices Lottery Limited** is a joint venture with St Richard's Hospice and Primrose Hospice.
- > **Childlife** is a joint venture with the National Deaf Children's Society, the National Children's Bureau and Ataxia UK. It is a company limited by guarantee and its principal activities are payroll giving and face to face fundraising.

The Board of Trustees

The Board of Trustees has established a robust governance framework and keeps it under continuous review. Acorns governance framework applies, where appropriate, the Code for the Voluntary and Community Sector which is endorsed by the Charity Commission and with other best practice guidelines.

The Board has agreed a schedule of matters reserved for its decision which includes approval of strategy, vision, mission, goals and the annual plans and budgets for achieving its objectives.

The Board formally assigns responsibility for the overall management of the Charity's day to day activities and resources to the Chief Executive through a scheme of delegation. The Chief Executive is assisted by Executive Directors, other employees and volunteers. The Board also supports the Chief Executive with advice and guidance on an on-going basis.

The Board has a Trustee Recruitment & Retention Policy to ensure it has the diverse range of skills, experience and knowledge needed to run the Charity effectively and that trustees receive the induction and training they need to discharge their duties. The Chairman oversees the trustee recruitment process in consultation with the Board Development Committee. Each recruitment campaign is designed with the Charity's needs and the pool of potential candidates in mind. New trustees complete a structured induction programme including one to one meetings with the Chief Executive and Executive Directors and visits to Acorns hospices and shops. Every Board meeting includes an element of training for trustees. Trustees also attend conferences and seminars relevant to their responsibilities.

Trustees are elected for terms of three years at a time. Expectation of tenure when joining the Board is for a minimum of 2 terms and no more than 3 terms. The Chairman's period of office is limited to six consecutive years, although the board has the power to approve an extension in exceptional circumstances. The Board of Trustees conducts regular skills audits and manages succession plans closely to ensure the continuity and effectiveness of the Charity's governance arrangements.

Trustees who served during the financial period are shown on page 15, as well as appointments and retirements during the financial year and post balance sheet period.

Our trustees together have the broad range of skills and expertise needed to govern the Charity effectively. Some of our trustees have personal experience of the impact of having a child with palliative care needs. A biography of each of our trustees is available on our website.

Acorns Board of Trustees met five times during the financial period. None of the trustees are remunerated.

Assurance Committees

All trustees serve on one or more of the Board's Assurance Committees. Any trustee may attend any Assurance Committee meeting. There were high levels of attendance at all Assurance Committees over the financial period, with trustees joining both in person and remotely.

Throughout the year, Assurance Committee members provided advice, support, expertise and challenge to the Chief Executive and Executive Directors' Team. A summary of each Assurance Committee's terms of reference is set out over:

Assurance Committee	Key Accountabilities
Board Development	<ul style="list-style-type: none"> > Maintaining Acorns Governance Framework. > Advising on the appointment of new trustees. > Advising on Board Committee membership. > Advising on trustee induction and training.
Care	<ul style="list-style-type: none"> > Overseeing and scrutinising care activities and staffing. > Reviewing any clinical incidents or complaints.
Fundraising, Marketing & Communications	<ul style="list-style-type: none"> > Monitoring fundraising, marketing and communications strategy, outputs and performance. > Scrutinising and where necessary challenging future income assumptions and forecasts
Chairs	<ul style="list-style-type: none"> > Overseeing strategic risk management. > Advising on remuneration issues. > Co-ordinating development and review of strategy.
Resources	<ul style="list-style-type: none"> > Reviewing all aspects of financial management. > Overseeing investment fund performance. > Reviewing the draft annual report and accounts. > Scrutinising human resource (employee & volunteer) activities. > Scrutinising learning & development activities. > Overseeing the implementation of Acorns digital strategy. > Monitoring GDPR compliance. > Overseeing the development of asset management plans.
Retail	<ul style="list-style-type: none"> > Scrutinising all retail activities relating to the sale of donated goods. > Monitoring Acorns Children's Hospice Trading Limited.

Employment policies

We need to attract and retain a diverse, skilled and experienced workforce across a range of functions and at all levels in the organisation to achieve our ambitions for children and their families.

Acorns recognises the value of having a diverse workforce and provides equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status.

We do not tolerate any form of discrimination in our recruitment or employment practices. All employees and applicants are treated fairly, with respect, are treated as individuals and valued for the contribution they make. Employees have fair access to training, development, reward and progression opportunities and are accountable for the impact of their own actions. All the Charity's policies follow these principles.

Our employees and volunteers received regular communication throughout the year from the Chairman and Chief Executive about the Charity's progress. They are also consulted on decisions affecting them. We survey employees and volunteers regularly, monitoring trends and respond proactively to the feedback received, both at team management and senior leadership level.

Equality, Diversity & Inclusion

Acorns has won national awards for promoting diversity by ensuring its services are sensitive to various cultural and religious needs of its children and their families.

We have established a positive working environment for all our employees and volunteers. We comply with the relevant legislation on equality and inclusion, such as the Human Rights Act 1988 and the Equality Act 2010 and the Public Sector Equality Duty 2011 it gave rise to. Our equality objectives are to:

- > promote a positive attitude towards equality and inclusion in the workplace;
- > provide education, training and professional development for Acorns workforce;
- > monitor the impact of diversity and equality policies and practices; and,
- > provide advice and guidance across Acorns.

In terms of employment, Acorns gives full and fair consideration to applications for employment from disabled persons. We support the ongoing training and development of persons disabled prior to appointment or who become disabled following appointment. We also ensure disabled employees have fair access to support with career progression and promotion.

At the start of 2024 Acorns signed up to start the journey to become accredited with the national Investors in Diversity Award with the National Centre for Diversity.

Pay policies

Acorns is committed to paying our employees a fair salary that is:

- > competitive within the charity sector yet affordable;
- > proportionate to the complexity of each role; and,
- > consistent with the need to make best use of supporters' donations and public money.

We ensure that every employee receives a salary that tracks above the National Minimum Wage applicable to them. We do not operate a bonus scheme for any of our employees or volunteers. Details of our salary and pension costs can be found in note 7 to the financial statements (page 50 refers). Information regarding the number of employees with salaries over £60,000 is available in note 8 to the financial statements (page 51 refers). We are an equal pay employer. Please see our website for details of our gender pay ratios.

The Board of Trustees is responsible for defining Acorns pay policy for its key managers (the Chief Executive and the Executive Directors) and agreeing any annual pay award. The Board delegates this responsibility to the Chairs Committee which comprises the Chair of the Board of Trustees and the Chair of each Assurance Committee. The Chairs Committee meets with the Chief Executive and the Chief Operating Officer to review and recommend changes to other key managers' pay. Neither the CEO nor the COO are present at the meeting when their own pay and performance is discussed.

Our Volunteers

Acorns relies on around 1,150 dedicated and skilled volunteers who regularly give their time and talents and do so much to help look after an increasing number of children and families.

Most charities rely on volunteers, but few can say, as we can, that every one of our activities - from running care services to supporting families, from fundraising to shops – has the help of volunteers. Depending on their role, volunteers are recruited subject to a satisfactory enhanced disclosure from the Disclosure and Barring Service (DBS). However, we do not require a DBS disclosure for our shop volunteers.

Our Supporters

In 2023/24 the strategies being pursued by the income generating teams in Retail and Fundraising showed strong progress. Acorns shoppers and donors showed great loyalty and generosity during the year.

Our supporters also leave gifts in wills, and this year has been another remarkable year for the range and scale of gifts made. We continue to be humbled by the thoughtfulness and consideration of those whom we cannot thank personally, but who create so much for the children and families who have the support of Acorns Children's Hospice now and in the future.

The support we receive from NHS England through the regional commissioning bodies represents around one third of the income we rely upon to operate our services. Acorns is appreciative of the funding we receive and hope that our sources of statutory funding can grow in the future.

Risk Assessment

The Acorns Board of Trustees is responsible for ensuring Acorns risk management framework is comprehensive, and that emerging, new and changing risks or opportunities are identified and responded to promptly.

The Board of Trustees reviews and updates Acorns risk management framework annually, and monitors the strategic risk register at least twice a year.

Our strategic risk register will continue to be structured around eight strategic risk families, which reflects the size and sophistication of our Charity, and also lends itself well to our Committee structure, with different Committees taking a lead for different risks.

Our eight strategic risk families are as follows:

- > Care services delivery;
- > Clinical incident;
- > Safeguarding;
- > Governance & compliance;
- > Workforce;
- > Income & reputation;
- > Financial loss; and,
- > Major incident.

Within each risk family, risks are tracked, and new risks identified, within directorates on a quarterly basis. The updated sections are included on the overall strategic risk register and reviewed and updated by the Executive Directors before being shared with Committee members. Acorns prioritises its risks according to their impact and likelihood and then designs and delivers appropriate controls and mitigating actions.

The Board of Acorns is satisfied the Charity's risk management framework continues to be both comprehensive and appropriate and the Executive Directors have put effective systems in place to control risk. The Directors' team reviews the risk register at least twice a year and updates the Board of Trustees using a dashboard report. The Board's assurance committees will continue to review the relevant parts of the strategic risk register at least twice a year. The Chairs Committee will continue to review the entire register in depth at least twice a year, before sharing reflections and recommendations with the full Board.

Working with our stakeholders: s172 statement

Companies are required to include a statement in their strategic report on how directors have complied with their duty to have regard to matters in section 172 (1) (a)-(f) of the Companies Act 2006 ('the Act'). As per the Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities, the duty of the trustee of a charitable company under this subsection of the Act is to act in the way they consider would be most likely to achieve its charitable purpose and in doing so have regard (among other matters) to the:

- a) likely consequences of any decision in the long term;
- b) interests of the employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and,
- f) the need to act fairly as between members of the company.

We listen to and engage regularly with our wide variety of stakeholders on whom the future success of Acorns depends, including service users, supporters, employees, volunteers and suppliers, to ensure responsible decisions are made. This helps us ensure that any decisions are sustainable in the long term and do not disproportionately affect any single stakeholder group.

The Board regards the following to be the two key decisions and considerations it has made during the year.

Significant event/ decision	S172 matter affected	Action and impact
Departure of the Director of Care	Possible consequence on the high standards of business conduct and the relationships.	An Interim was appointed and then direct oversight applied to the care area by the CEO. Obtaining external advice for key issues.
Departure of the Director of Supporter Engagement	Possible consequence on the income of the charity.	The COO provided initial support and oversight, an external Interim Director was then appointed due to extended absence of the Deputy who is now back at work.

In the table below, we set out in more detail how we have engaged with our key stakeholders and the impact of the engagement.

Stakeholder group and why they are important to our success	Their requirements	How we engage	Key highlights of 2023-24 showing impact of the engagement
<p>Children that use our services and their families</p>	<p>A specialised children's hospice service that reflects what is important to them.</p> <p>High-quality and safe services.</p>	<p>We conducted electronic surveys on Acorns iPad or by offering a QR code for the following service areas:</p> <ul style="list-style-type: none"> • Young person Survey; • Family Experience- which includes specialist services such as physiotherapy, hydrotherapy, and Stay and Play; • Family Experience- which captures a family's experience at one of our three hospices and groups attended; • Bereaved parents group: and, • Review of key engagements. <p>We additionally maintain an active group of Young Ambassadors and Parent Carer Champions and have ongoing opportunities to engage families through the one-to-one work, events and groups we provide.</p>	<p>Young Ambassadors and Parent Carer Champions met and were active on the Charity's media and social media channels.</p> <p>We continued to seek direct feedback from families with family team workers making routine "wellbeing calls" through the year.</p> <p>We responded to direct feedback from families via Acorns social media channels.</p> <p>During the year we sought to understand how to engage more widely and effectively. This led us plan for and realise funding for a Single Point of Access Service that will launch in 2024/25.</p> <p>We maintained the work that earned us the UNICEF Gold award for respecting children's rights.</p>

Stakeholder group and why they are important to our success	Their requirements	How we engage	Key highlights of 2023-24 showing impact of the engagement
<p>Our people</p> <p>Our services are delivered through our experienced and dedicated workforce.</p>	<p>Opportunities for development and progression.</p> <p>Fair and transparent pay and reward structures.</p> <p>Opportunities to share ideas and make a difference.</p> <p>Respect for their diversity and an inclusive workplace where all are treated fairly.</p>	<p>We engage regularly, virtually, by email, our intranet and live and recorded video updates from senior management.</p> <p>People engagement is measured through regular workforce surveys. In 2023/24, we continued to utilise an online real time engagement tool (Winningtemp) through which we measure how employees are feeling every 2 weeks. This continues to enable us to obtain and act on real time employee feedback.</p>	<p>We were awarded the Bronze Thrive At Work award for the engagement we undertake with our teams.</p> <p>The engagement tool allows the organisation to measure Employee Net Promoter Score (ENPS) which is a universally accepted measure of employee satisfaction and currently Acorns is rated better than similar organisations.</p> <p>Acorns began the process of achieving the Investors in Diversity accreditation.</p>
<p>Our Supporters and Volunteers</p> <p>We can only achieve our strategic vision with the generous contributions of our supporters and volunteers.</p>	<p>We have a strong sense of duty to deliver the most impact we can from the time and money they so generously give.</p>	<p>We have communicated regularly with our supporters according to their preferences, email, phone, website and through media and social media activity.</p> <p>We have 44 shops where we engage with supporters who donate and buy goods.</p>	<p>The Charity's activities have been regularly profiled in the local and regional media.</p> <p>We raised £8.645 million of income in donations and legacies.</p> <p>We have seen a significant increase in volunteer hours.</p>

Stakeholder group and why they are important to our success	Their requirements	How we engage	Key highlights of 2023-24 showing impact of the engagement
<p>NHS</p> <p>We could not do what we do without our partnership with the NHS, nationally and locally, via ICB's and hospitals.</p>	<p>NHSE fulfils its statutory obligation to provide palliative and end of life care to children and support to families.</p> <p>Acorns delivers on our contractual obligations.</p> <p>We provide safe and high-quality care, and report transparently on what we have delivered and on any challenges we may face.</p>	<p>We have a dedicated Statutory Partnerships manager to manage our NHSE engagement.</p> <p>We have worked closely with our NHS partners. Our collaboration with the Palliative Care team at Birmingham Women and Children's Hospital continues to be particularly impactful. Especially our contribution to the children's palliative care consultant.</p>	<p>We have undertaken to show NHSE and the government why we should continue to receive statutory funding. This has resulted in the commitment to extend the funding for a further year. With work also undertaken to improve ICB relationships as they are now the broker for the distribution of the Children's Hospice Grant</p> <p>We reviewed and changed the provision of out of hours medical advice available to our team at the Birmingham Hospice by utilising the links and partnerships we have built at BCH.</p>

Streamlined Energy and Carbon Reporting

During the financial year, Acorns continued its commitment to improving energy efficiency and reducing its carbon footprint. Photovoltaic panels are in place at Worcester and Walsall Hospices to produce electricity and are in daily use.

During the year we utilised the services of a specialist consultancy to help us understand our carbon footprint, create a sustainability gap analysis and help us create a strategy and action plan. We have now created Shaping a Better World, our environmental sustainability plan. It is based on the three pillars of People, Purchasing and Planet. Achieving our plan will be monitored by our green champions and our newly formed Environment Sustainability Steering Group.

Methodology

The three hospices and our central office all use electricity and gas for heat, light and power. The 44 shops use electricity for heat, light and power.

For the three hospices and Drakes Court purchased electricity and gas kWh usage was based on information provided by our energy broker for the financial period. For our shops the purchased electricity kWh usage was based on energy used during the previous financial period. During the year there was little travel by staff in their own cars. Nor was there any significant rail travel and there was no air travel. Consequently, these are not disclosed as they are deemed to be immaterial. The UK Government Green House Gas Conversion Factors for Company Reporting 2023 have been used to provide the required conversion rates.

Emission Statistics

	2024	2023
Energy consumption used to calculate emissions (kWh)	2,410,933	2,184,473
Emissions from purchased electricity (tCO ₂ e)	210.5	196.6
Emissions from the combustion of gas (tCO ₂ e)	213.2	212.8
Total gross emissions (tCO ₂ e)	423.7	409.4
Intensity ratio (total tCO ₂ e per FTE employee)	1.06	1.15

Fundraising

Our fundraising is managed by an experienced team of dedicated employees. We are registered with the Fundraising Regulator (<https://www.fundraisingregulator.org.uk>) and signed up to the Fundraising Code of Practice.

Our Fundraising Promise is published at the following web address:

[https://www.acorns.org.uk/our-fundraising -promise](https://www.acorns.org.uk/our-fundraising-promise)

Our fundraising complaints procedure is available on request, nine complaints were received during the year.

Trustees' responsibilities in relation to the financial statements

The Charity Trustees are responsible for preparing the Trustees' Report and the incorporated Strategic Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, UKGAAP).

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

- > select suitable accounting policies and apply them consistently;
- > observe the methods and principles in the Charities Statement of Recommended Practice (SORP) on financial reporting;
- > make judgements and estimates that are reasonable and prudent;
- > state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Disclosure of information to auditors

The trustees who held office at the date of approval of the Trustees' Report and incorporated Strategic Report confirm that, so far as each is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Each trustee has taken all the steps they should have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' Report and the incorporated Strategic Report are approved and signed on behalf of the Board of Trustees.

MT Hopton

Mark T Hopton

Chairman of Acorns Board of Trustees

6 August 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORNS CHILDREN'S HOSPICE TRUST

Opinion

We have audited the financial statements of Acorns Children's Hospice Trust (the 'parent charitable company') and its subsidiary (the 'group') for the period ended 30 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Account, the Consolidated and Charity Statements of Financial Position, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in

the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 28, 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 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 considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Safeguarding, GDPR and CQC Regulations. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and testing of income transactions around the period end.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Spencer-Gray

ANNA SPENCER-GRAY (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

Date 09/08/24

Consolidated statement of financial activities (incorporating the Consolidated Income and Expenditure Account)

For the period 2 April 2023 to 30 March 2024

	Note	Unrestricted funds £000	Unrestricted Funds - Shops £000	Restricted Funds £000	Total Funds 2024 £000	Total Funds 2023 £000
Income from						
<i>Donations and legacies</i>						
Donations		3,501	-	1,380	4,881	4,726
Legacies		3,242	-	522	3,764	2,688
<i>Charitable activities</i>						
NHS England Children's Hospice Grant		-	-	2,052	2,052	1,721
Kick-Starters Job Support		-	-	-	-	10
Contract income		2,523	-	-	2,523	2,807
Training income		57	-	-	57	35
<i>Other trading activities</i>						
Sale of donated and bought-in goods		-	6,814	-	6,814	6,175
Events		260	-	-	260	140
<i>Investments</i>						
Dividends		49	-	-	49	29
Interest	5	275	-	-	275	30
Share of JVs' net profit		230	-	-	230	192
Other income		52	-	-	52	38
Total income		10,189	6,814	3,954	20,957	18,591
Expenditure on						
<i>Raising funds</i>						
Fundraising	4	2,226	-	-	2,226	1,901
Trading costs		-	5,008	-	5,008	4,169
Events costs	4	159	-	-	159	117
<i>Charitable activities</i>						
Residential care services	4	6,864	-	3,183	10,047	8,133
Community care services	4	2,967	-	137	3,104	2,874
Total expenditure		12,216	5,008	3,320	20,544	17,194
		(2,027)	1,806	634	413	1,397
Net gain/(loss) on investments	12	368	-	-	368	(121)
Net income	9	(1,659)	1,806	634	781	1,276
Gross transfers between funds		2,268	(1,806)	(462)	-	-
Net movement in funds		609	-	172	781	1,276
<i>Reconciliation of funds</i>						
Total funds brought forward	19	23,375	-	282	23,657	22,381
Total funds carried forward	19	23,984	-	454	24,438	23,657

The above results are derived from continuing operations. All gains and losses are included above. A detailed comparative consolidated statement of financial activities is set out on page 35.

Comparative consolidated statement of financial activities (incorporating the Consolidated Income and Expenditure Account)

For the period 3 April 2022 to 1 April 2023

	Note	Unrestricted funds £000	Unrestricted Funds - Shops £000	Restricted Funds £000	Total Funds 2023 £000	Total Funds 2022 £000
Income from						
<i>Donations and legacies</i>						
Donations		2,610	-	2,116	4,726	4,593
Legacies		2,672	-	16	2,688	3,712
<i>Charitable activities</i>						
NHS England Children's Hospice Grant		-	-	1,721	1,721	1,435
NHS England Covid-19 Support Grants		-	-	-	-	302
Job retention Covid-19 Support		-	-	-	-	22
Kick-Starters Job Support		10	-	-	10	283
Contract income		2,807	-	-	2,807	3,202
Training income		35	-	-	35	7
<i>Other trading activities</i>						
Sale of donated and bought-in goods		-	6,175	-	6,175	5,443
Covid-19 Business Support Grants		-	-	-	-	2
Events		140	-	-	140	124
<i>Investments</i>						
Dividends		29	-	-	29	16
Interest	5	30	-	-	30	1
Share of JVs' net profit		192	-	-	192	229
Other income		38	-	-	38	27
Total income		8,563	6,175	3,853	18,591	19,398
Expenditure on						
<i>Raising funds</i>						
Fundraising	4	1,901	-	-	1,901	1,608
Trading costs		-	4,169	-	4,169	3,745
Events costs	4	117	-	-	117	91
<i>Charitable activities</i>						
Residential care services	4	3,861	-	4,272	8,133	7,484
Community care services	4	2,583	-	291	2,874	2,083
Total expenditure		8,462	4,169	4,563	17,194	15,011
		101	2,006	(710)	1,397	4,387
Net gains on investments		(121)	-	-	(121)	227
Net income	9	(20)	2,006	(710)	1,276	4,614
Gross transfers between funds		2,006	(2,006)	-	-	-
Net movement in funds		1,986	-	(710)	1,276	4,614
<i>Reconciliation of funds</i>						
Total funds brought forward	19	21,389	-	992	22,381	17,767
Total funds carried forward	19	23,375	-	282	23,657	22,381

The above results are derived from continuing operations. All gains and losses are included above.

Consolidated statement of financial position

As at 30 March 2024 compared to 1 April 2023

Company Registration No. 2036103

	Note	2024		2023	
		£000	£000	£000	£000
Fixed assets					
Intangible assets	11		125		110
Tangible assets	10		12,179		11,068
Investments	12		4,034		6,681
Investments in associated companies	13		225		195
			16,563		18,054
Current assets					
Inventories	14	22		14	
Debtors	15	5,050		3,200	
Asset held for sale		585		-	
Multi-fund asset		2,789		750	
Cash held on deposit		1,252		3,737	
Cash at bank and in hand		439		670	
		10,137		8,371	
Creditors: Amounts falling due within one year	17	(1,406)		(1,950)	
Net current assets			8,731		6,421
Total assets less current liabilities			25,294		24,475
Provision for liabilities	18		(856)		(818)
Net assets			24,438		23,657
Fund balances					
Restricted capital funds	19/20	36		267	
Restricted income funds	19/20	418		15	
Total restricted funds			454		282
Designated fixed asset fund			12,529		11,373
Designated capital projects fund			3,600		2,600
Unrestricted available funds			7,855		9,402
	19/20		24,438		23,657

These financial statements were authorised for issue and approved by the Board of Trustees on 6 August 2024 and were signed on its behalf by:

MT Hopton

M T Hopton, Chairman

Charity statement of financial position

As at 30 March 2024 compared to 1 April 2023

Company Registration No. 2036103

	Note	2024		2023	
		£000	£000	£000	£000
Fixed assets					
Intangible assets	11		125		110
Tangible assets	10		12,179		11,068
Investments	12		4,034		6,681
			16,338		17,859
Current assets					
Debtors	15	5,193		3,314	
Asset held for resale		585		-	
Multi-fund asset		2,789		750	
Cash held on deposit		1,287		3,737	
Cash at bank and in hand		378		590	
			10,232	8,391	
Creditors: Amounts falling due within one year	17	(1,455)		(1,964)	
			8,777	6,427	
Net current assets					
			25,115	24,286	
Total assets less current liabilities					
Provision for liabilities	18		(856)		(818)
			24,259	23,468	
Net assets					
Fund balances					
Restricted capital funds	21	36		267	
Restricted income funds	21	418		15	
			454	282	
Total restricted funds					
Designated fixed asset fund			12,304		11,178
Designated capital projects fund			3,600		2,600
Unrestricted available funds			7,901		9,408
	21		24,259	23,468	

The net movement in funds for the parent charity was a net increase of funds of £791,000 (2023: net increase of funds of £1,260,000). These financial statements were authorised for issue and approved by the Board of Trustees on 6 August 2024 and were signed on its behalf by:

MT Hopton

M T Hopton, Chairman

Consolidated statement of cash flows

2 April 2023 to 30 March 2024 compared to 3 April 2022 to 1 April 2023

	2024 £000	2023 £000
Cash flows from operating activities:		
Net cash provided by operating activities	(2,370)	3,268
Cash flows from investing activities:		
Dividends and interest from investments	324	59
Gift aid receipts from joint ventures	200	179
Purchase of property, plant and equipment	(1,776)	(2,372)
Purchase of intangible assets	(70)	(30)
Transfer to fixed assets	-	(2,000)
Transfer to current assets	3,015	750
Net cash (used in)/ provided by investing activities	1,693	(3,414)
Change in cash and cash equivalents in the reporting period	(677)	(146)
Cash and cash equivalents at the beginning of the reporting period	5,157	5,303
Cash and cash equivalents at the end of the reporting period	4,480	5,157

Reconciliation of net income to net cash flow from operating activities (forming part of the financial statements)

	2024 £000	2023 £000
Net income for the reporting period (as per the Statement of Financial Activities)	781	1,276
Adjustments for:		
Depreciation	610	513
Amortisation	54	66
(Gains)/ losses on investments	(368)	121
Share of joint venture net profit	(230)	(192)
Dividends and interest from investments	(324)	(59)
Loss on disposal of tangible fixed assets	55	-
Loss on disposal of intangible fixed assets	1	-
Increase in inventories	(8)	(8)
Increase/ (decrease) in debtors	(1,850)	1,016
Increase in assets held for sale	(585)	-
(Decrease)/ increase in creditors	(544)	629
Increase/ (decrease) in provisions	38	(94)
Net cash (utilised)/provided by operating activities	(2,370)	3,268
Analysis of cash and cash equivalents		
Cash at bank and in hand	439	670
Deposit	1,252	3,737
Multi-fund asset approximating cash	2,789	750
Total cash and cash equivalents	4,480	5,157

Notes

(forming part of the financial statements)

1. Principal accounting policies

Acorns Children's Hospice Trust is a private charitable company, limited by guarantee, and incorporated in England.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charitable company's financial statements.

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

Basis of preparation

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

The financial statements have also been prepared in accordance with revised version of FRS102 (issued March 2018).

Monetary amounts in these financial statements are rounded to the nearest £1,000 except where otherwise stated. The financial statements are presented in Sterling, which is the functional currency of the group.

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

The Charity Commission's guidance on public benefit organisations supports the conclusion that Acorns Children's Hospice Trust is a public benefit entity.

The financial statements have been drawn up to reflect the weekly trading calendar that drives activity in our shops which ends on the nearest Saturday to 31 March each year. The 2024 financial period therefore covers the period from 2 April 2023 to 30 March 2024 and the 2023 financial period covers the period from 3 April 2022 to 1 April 2023. The 2024 and 2023 column headings used in the financial statements and in the tables and notes that follow cover these reporting periods.

The trustees do not consider that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Disclosure exemptions

In accordance with FRS102, the Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures.

The financial statements of the Charity are consolidated in these financial statements of Acorns Children's Hospice Trust.

Notes *(continued)*

1. Principal accounting policies (Continued)

Preparation of the accounts on a going concern basis

The Charity's financial position and performance has been outlined in the financial review above. The trustees have assessed projected future income, expenditure and cashflows over the period to August 2025 and considered the Charity's available reserves and liquid assets as well as its ability to withstand a material decline in income. Consideration has been given to the stability, predictability and diversity of various income streams in making this assessment.

The trustees believe the Charity's financial resources and contingency planning is sufficient to ensure the continuation of the Charity as a going concern for the foreseeable future. Consequently, the financial statements have been prepared on this basis.

Gift Aid Payments

Gift Aid payments from the trading subsidiary are treated as distributions of profits.

Basis of consolidation

The group financial statements consolidate the financial statements of the parent company and its subsidiary undertaking for the financial period ended 30 March 2024. The trading results of the subsidiary undertaking are shown in note 3. Investments in joint ventures where the group holds an interest on a long-term basis which is jointly controlled by the group and one or more other venturers under a contractual arrangement are included in the group financial statements using the 'equity method'. The group discloses its share of joint ventures' operating result in the consolidated summary income and expenditure account and statement of financial activities and its share of the gross assets and liabilities in the consolidated balance sheet.

Where the financial period-end of a joint venture is not consistent with that of the group, the results of the joint venture or subsidiary are included in the consolidated financial statements using management accounts prepared for a twelve-month period ending as close as possible to the group period end.

In the charitable company's financial statements, investments in subsidiary undertakings are stated at cost.

Charitable company income and expenditure

A separate summary income and expenditure account, dealing with the results of the charitable company, has not been presented as permitted by Section 408 of the Companies Act 2006. A surplus of income over expenditure for the financial period of £791,000 (*2023 surplus of income over expenditure of £1,260,000*) has been dealt with in the financial statements of the charitable company.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies

Donations are accounted for on a receivable basis. Where material assets have been donated a cash equivalent is included. Where assistance is provided to meet costs which would otherwise be met by the group then an amount equivalent to these costs is included in the Consolidated Statement of Financial Activities as both income and matching expenditure.

Legacy income is recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event the gift is in the form of an asset other than cash or a financial asset traded on a recognised

Notes *(continued)*

1. Principal accounting policies (Continued)

stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy.

Government Revenue Grants

Revenue grants are credited to the Statement of Financial Activities when received or receivable whichever is earlier. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the Trust's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the Trust can meet such conditions, the incoming resource is deferred.

Charitable activities

Revenue based grants are credited to the Statement of Financial Activities when the conditions for receipt have been complied with. Income is deferred only when the provider specifies that the grant must be used in future financial periods; or the provider has imposed conditions which must be met before the Charity has unconditional entitlement.

Other activities

Income raised through the operation of the shops under the Charity's management is taken into account at the time of receipt.

Expenditure

All expenditure is accounted for on an accruals basis. Some costs incurred centrally are allocated to expenditure categories listed below on the basis of their use of central support services. Such allocations are made on the basis of staff numbers, asset values or other methods as most appropriate.

Raising funds

These costs are incurred in relation to staff members who are engaged directly in fund-raising and also include the costs of specific publicity campaigns for the raising of donations.

Charitable activities

This includes the direct costs of providing services and running projects.

Other costs

Other costs include Governance Costs. These are the costs incurred in connection with governance and professional support to trustees, which includes a proportion of management's time providing governance support to trustees.

Irrecoverable VAT

Irrecoverable VAT is charged directly to the Statement of Financial Activities.

Allocation of support and governance costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. They include back-office costs such as human resources, payroll and property and governance costs such as finance and audit. These costs have been apportioned based on the spend under Raising funds, Events costs, and Charitable activities costs. See note 4.

Notes *(continued)*

1. Principal accounting policies (Continued)

Termination benefits

Termination benefits are accounted for on a legal or constructive commitment basis.

Volunteers

The value of services provided by volunteers is not incorporated into the financial statements. However, volunteer hours (excluding hours donated by trustees) are valued at the minimum wage and disclosed in note 7.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is calculated to write off the cost, less the residual value, of tangible fixed assets over their estimated useful lives on a straight-line basis as follows:

Freehold land	-	Nil
Freehold buildings	-	2%
Garden landscaping	-	10%
Short leasehold property	-	Over the shorter of five years or to the first break point of the lease
Fixtures, fittings and equipment	-	10-25%
Motor vehicles	-	25%

No depreciation is provided on assets in the course of construction. Donated land and buildings are recognised in the financial statements at fair value.

Intangible fixed assets

Intangible fixed assets are non-monetary assets without physical substance. Such assets above £2,500 are capitalised and included at cost.

Amortisation is calculated to write off the cost, less the residual value, of intangible fixed assets over their estimated useful lives on a straight-line basis over 4 years.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing bid price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial period.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors and subsectors.

Notes *(continued)*

1. Principal accounting policies (Continued)

Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period.

Unrealised gains and losses are calculated as the difference between the fair value at the financial period end and their carrying value.

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Pensions

Employees of the Charity are entitled to join a defined contribution 'money purchase' scheme. Alternatively, if they have previously been members of the NHS defined benefit scheme, they can continue their membership to that scheme.

The money purchase, defined contribution scheme is managed by Scottish Widows and the plan invests the contributions made by the employee and the employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's retirement. The contribution rate for employees is 3.0% gross (of basic rate income tax) of basic pay and the employer's contribution is 7.5% of basic pay. The cost of the scheme to Acorns is the value of contributions payable to Scottish Widows in the accounting period.

The NHS scheme is a defined benefit scheme. Employee contributions are based on a percentage of their earnings depending on how much they earn. Employer contributions are 14.38% (2023: 14.38%) of the employee's salary. The scheme is unfunded and as a result it is not possible for Acorns to identify its share of the underlying scheme liabilities. The scheme is therefore accounted for as a defined contribution scheme. The cost of the scheme to Acorns is the value of contributions payable to the NHS in the accounting period. The pension costs are allocated between activities based on the time spent by staff on each activity.

Contingent assets

A contingent asset is identified and disclosed for those legacies resulting from:

- a possible entitlement but there is uncertainty as to the amount of the receipt, for example the legacy may be subject to challenge or the Charity's interest may be a residuary one; or,
- the interest of the Charity in a pecuniary or residuary legacy cannot be measured reliably.

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Notes *(continued)*

1. Principal accounting policies (Continued)

Pension costs

The pension costs represent amounts payable by the group during the financial period (see note 23).

Inventories

Stocks of bought in goods are stated at the lower of cost and net realisable value. Stocks of unsold donated goods are not valued for balance sheet purposes. Estimating the fair value of donated goods for resale is not practical because of the volume of low-value items received. The value to the charity of donated goods sold is recognised as income when sold.

Debtors and prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash, including money market multi-fund assets, and are subject to an insignificant risk to changes in value.

Creditors and provisions

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

Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Deferred taxation

In the subsidiary financial statements, the charge for taxation is based on the result for the financial period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised when material, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Fund accounting

Acorns has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Restricted income funds

Grants, donations or legacies received, or income arising from such, which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the charitable company.

Notes *(continued)*

1. Principal accounting policies (Continued)

Restricted capital funds

Given to the Charity where the income is to be used for the charitable company's purposes for the purchase of capital items. Restricted capital funds are transferred to unrestricted funds on purchase of the asset where no further restrictive covenant is in place.

Unrestricted funds

Funds are expendable at the discretion of the trustees in furtherance of the objects of the charitable company. In addition to expenditure on care, such funds may be held in order to finance capital investment and working capital.

Funds are designated for tangible and intangible fixed assets as well as investments in associated companies and capital projects. Unrestricted funds remaining are the available free reserves of the Charity.

Fund transfers

Restricted capital funds are transferred to unrestricted funds on purchase of the asset concerned where no restrictive covenant is in place.

Unrestricted shop funds are transferred to unrestricted funds every year to support expenditure on care services.

Designated funds

Designated fixed asset fund – this represents the net book value of the tangible and non-tangible assets as well as the investments in associated companies.

Designated capital fund – this represents future investment in our infrastructure assets.

Liabilities

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Critical accounting judgements and key sources of estimation uncertainty

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

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

Notes *(continued)*

1. Principal accounting policies (Continued)

In preparing these financial statements, the trustees have made judgements in determining the:

- value of the legacy accrual. The value depends on decisions regarding entitlement to the gift, probability of receipt and the ability to value it with sufficient accuracy;
- the value of provisions and which provisions are required. A dilapidations provision is held relating to the estimated cost of repairs to a number of leasehold premises at the end of their leases, where the anticipated future costs can be estimated reliably and the likelihood of the costs being incurred is considered probable. A provision of £836,000 is held at the financial period end and the uncertainty surrounding this is disclosed in note 18;

2. Status of the charitable company

The charitable company, 2036103, is limited by guarantee and does not have share capital. The registered office is Drakes Court, Alcester Road, Wythall, B47 6JR. The principal activity is to provide specialist, palliative care services to children, young people and their families in our region.

The liability of members is limited and is not to exceed £1 per member.

3. Income and costs from trading activities of subsidiary

Acorns Children's Hospice Trading Limited

The Charity has a wholly owned subsidiary, Acorns Children's Hospice Trading Limited, company number, 2642603, which is incorporated in England. The registered office is Drakes Court, Alcester Road, Wythall, Birmingham, B47 6JR.

The company sells new goods as well as acting as agent for the parent charity for the sale of donated goods attracting retail gift aid.

This company has committed to pay its distributable profits to the Charity by Gift Aid. A summary of the audited results is shown below:

Notes *(continued)***3. Income and costs from trading activities of subsidiary (Continued)****Acorns Children's Hospice Trading Limited (Continued)**

	2024 £000	2023 £000
Turnover	185	182
Cost of sales	(61)	(49)
	<hr/>	<hr/>
Gross profit	124	133
Administrative expenses	(18)	(18)
	<hr/>	<hr/>
Profit on ordinary activities before taxation	106	115
Taxation	-	-
	<hr/>	<hr/>
Total comprehensive income for the financial period	106	115
	<hr/> <hr/>	<hr/> <hr/>

For an overview of the financial performance of the group's retail operation see the Consolidated Statement of Financial Activities on page 34.

The aggregate of the subsidiary's assets, liabilities and funds is as follows:

	2024 £000	2023 £000
Total assets	131	137
Total liabilities	(25)	(22)
	<hr/>	<hr/>
Net funds	106	115
	<hr/> <hr/>	<hr/> <hr/>

Notes *(continued)***4. Total expenditure (excluding shops)**

	Direct costs	Support and Governance costs	2024 Total	2023 Total
	£000	£000	£000	£000
Raising funds				
Fundraising	1,595	631	2,226	1,901
Event costs	120	39	159	117
Charitable activities				
Residential care services	7,382	2,665	10,047	8,133
Community care services	2,245	859	3,104	2,874
	<u>11,342</u>	<u>4,194</u>	<u>15,536</u>	<u>13,025</u>
			2024	2023
			£000	£000
Consisting of				
Staff costs (including training and travel etc.)			12,241	10,286
General overheads			1,912	1,463
Depreciation and amortisation			423	386
Direct care service costs			710	660
Direct fundraising costs			250	230
			<u>15,536</u>	<u>13,025</u>

Notes *(continued)*

4. Total expenditure (excluding shops) (Continued)

	2024 £000	2023 £000
Support costs comprise		
Communications	521	446
Head office and property	1,675	1,479
Finance and management	1,284	830
HR and project support	714	628
	<u>4,194</u>	<u>3,383</u>
	2024 £000	2023 £000
Governance costs (included in support costs above) comprise:		
Head office and property	485	409
Finance and management	54	47
Audit fees	51	32
	<u>590</u>	<u>488</u>

Support costs are allocated to each activity in proportion to the expenditure incurred directly in undertaking that activity.

Finance and management includes interest costs of £Nil (2023: £Nil).

5. Interest

	2024 £000	2023 £000
Bank interest received	275	30
	<u>275</u>	<u>30</u>

6. Government Grants

There are no unfulfilled conditions relating to the grant income recognised in the Statement of Financial Activities.

Notes *(continued)*

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The average number of people employed by the group (headcount) is set out below:

	Group Average Headcount	
	2024	2023
Staff (includes bank/agency staff)	398	363
	2024	2023
The aggregate remuneration of these persons was:	£000	£000
Wages and salaries	12,286	10,321
Social security costs	1,180	985
Pension costs	990	815
	14,456	12,121

In addition to the above, additional benefits paid to leavers amounted to £134,000 (2023: £30,000).

Pension costs	2024	2024	2023	2023
	Unrestricted	Restricted	Unrestricted	Restricted
	£000	£000	£000	£000
Care	595	-	491	-
Retail	149	-	127	-
Administration	246	-	197	-
Total	990	-	815	-

21 trustees served during the financial period (2023:20) and received no remuneration for their services. Where claimed, expenses for travel and subsistence are reimbursed. The amount claimed in the financial period was £Nil (2023: £Nil).

The Charity holds trustee indemnity insurance at a cost of £2,556 (2023: £2,490).

Notes *(continued)*

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (Continued)

Hours donated by volunteers who worked for the group with pay during the financial period totalled 258,799 with a theoretical value estimated, using the National Minimum Wage, of £2,696,685 (2023: hours donated 249,027 with a theoretical value estimated, using the National Minimum Wage, of £2,535,095). Trustees' donated time has not been included in the valuation.

Volunteers work in all areas of the charitable operation and undertake roles such as, retail assistants, administrative clerks, play and sibling assistants and event assistance.

8. Key management personnel remuneration

The key management personnel of the parent charity, the Trust, comprise the trustees, the Chief Executive Officer, Chief Operating Officer and Director of People & Culture, Director of Supporter Engagement, Director of Care and Chief Financial Officer. The total employee benefits (including employer's pension contributions and NIC) of the key management personnel of the Trust were £655,455 (2023: £487,449).

The salaries and benefits of the key management personnel and higher paid employees (excluding employer's pension contributions and NIC), totalling above £60,000 are analysed below. In order to aid comparability between financial periods, the bandings below exclude benefits relating to leavers. If these payments were included then one person outside of the bandings would be included in a £120-130K bracket and one person would move from £70-80K bracket to £130-£140K bracket.

	Group	
	Number of employees	
	2024	2023
£60,001 - £70,000	3	1
£70,001 - £80,000	3	3
£80,001 - £90,000	1	3
£90,001 - £100,000	1	1
£100,001 - £110,000	1	-

Notes *(continued)*

9. Net group income

	Group	
	2024	2023
	£000	£000
<i>Net group income is stated after charging/(crediting)</i>		
Depreciation of tangible assets	610	513
Amortisation of intangible assets	54	66
Operating lease charges:		
Buildings (including retail shops)	975	899
Plant and machinery	43	21
Operating lease income	(14)	(10)
<i>Auditor's remuneration</i>		
Audit of these financial statements	42	37
Audit of financial statement of subsidiaries pursuant to legislation	3	3
Other services relating to taxation	10	4

Notes *(continued)*

10. Tangible fixed assets

Group and Charity

	Freehold land and buildings	Short leasehold property	Motor vehicles	Fixtures, fittings and equipment	Total
	£000	£000	£000	£000	£000
Cost					
At beginning of financial period	13,821	1,428	97	1,292	16,638
Additions	721	599	97	359	1,776
Reclassification	-	(35)	-	35	-
Disposals	-	(161)	(30)	(314)	(505)
At end of financial period	<u>14,542</u>	<u>1,831</u>	<u>164</u>	<u>1,372</u>	<u>17,909</u>
Depreciation					
At beginning of financial period	3,745	758	97	970	5,570
Charge for the financial period	234	212	12	152	610
Reclassification	-	(18)	-	18	-
Disposals	-	(114)	(30)	(306)	(450)
At end of financial period	<u>3,979</u>	<u>838</u>	<u>79</u>	<u>834</u>	<u>5,730</u>
Net book value					
At 30 March 2024	<u>10,563</u>	<u>993</u>	<u>85</u>	<u>538</u>	<u>12,179</u>
At 1 April 2023	<u>10,076</u>	<u>670</u>	<u>-</u>	<u>322</u>	<u>11,068</u>

Included within freehold land and buildings is land donated during the financial period ended 29 March 2005 for the Worcester Hospice site, valued at £2,150,000. The valuation was performed by Andrew Grant, Chartered Surveyors, on a market value in use basis on 9 February 2005. This value has been used as the deemed historic cost.

The gross amount of depreciable assets included within freehold land and buildings is £12,392,000 (2023: £11,671,000).

The hospice located in Worcester is held as security by the group's bank.

Use of assets:

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Care Services	11,101	10,398	11,101	10,398
Other, including shops, warehouse and administration	1,078	670	1,078	670
Net book value	<u>12,179</u>	<u>11,068</u>	<u>12,179</u>	<u>11,068</u>

Notes *(continued)*

11. Intangible fixed assets

Group and Charity

	Application Software Enhancements
	£000
Cost	
At beginning of financial period	524
Additions	70
Disposals	(345)
	<hr/>
At end of financial period	249
	<hr/> <hr/>
Amortisation	
At beginning of financial period	414
Charge for the financial period	54
Disposals	(344)
	<hr/>
At end of financial period	124
	<hr/> <hr/>
Net book value	
At 30 March 2024	125
	<hr/> <hr/>
At 1 April 2023	110
	<hr/> <hr/>

Amortisation is included within depreciation and allocated across the cost of raising funds and the cost of charitable activities.

Notes *(continued)*

12. Fixed and current asset investments

Fixed asset investments

Group and Charity

Multi-fund assets	£000
Group and Charity	
Fair value 1 April 2023	6,681
Disposal	(3,015)
Acquisition	2,039
Reclassification	(2,039)
Net Revaluation Gain	368
	<hr/>
Fair value 30 March 2024	4,034
	<hr/> <hr/>

	Fair value 2024 £000	Cost 2024 £000	Fair Value 2023 £000	Cost 2023 £000
Multi-fund assets Net Book Value	4,034	3,500	6,681	6,514
	<hr/>	<hr/>	<hr/>	<hr/>

Investments are revalued at bid value at the financial period end, being fair value.

Current asset investments

Group and Charity

	2024 £000	2023 £000
Multi-fund assets	2,789	750
	<hr/>	<hr/>

Notes *(continued)*

13. Investments in associated companies

Investments in associated companies comprise the following:

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Investment in joint ventures	225	195	-	-

Investment in subsidiary undertakings

The group owns the entire share capital (comprising ordinary shares of £1 each) in the following companies:

Subsidiary undertakings	Ordinary shares	Nature of trade
Acorns Children's Hospice Trading Limited (2642603)	2	Retail and merchandise operations

Investment in joint ventures

The group has investments in the following joint ventures:

Joint ventures	Proportion of issued ordinary shares held
	%
TLC Lotteries Limited*	33.3
Registered Office - Drakes Court, Alcester Road, Wythall, Birmingham, B47 6JR.	
Worcestershire Hospices Lottery Limited*	33.3
Registered Office – Primrose Hospice, St Godwalds Road, Bromsgrove, Worcestershire, United Kingdom, B60 3BW.	
	Proportion of voting rights held
	%
Childlife (company limited by guarantee)	25.0
Westmead House, Westmead, Farnborough, Hampshire, GU14 7LP	

* Held indirectly

Notes *(continued)*

13. Investments in associated companies (Continued)

TLC Lotteries Limited and Worcestershire Hospices Lottery Limited are trading companies incorporated in Great Britain and promote commercial lottery games which aim to generate profits for the benefit of their affiliated charities (see note 24). TLC Lotteries Limited financial period end is 31 December 2023. Worcestershire Hospices Lottery Limited financial period end is 31 March 2024.

Childlife is a charitable company limited by guarantee to £1. Its objects are to promote the relief of children who are in need, by enabling member charities to better meet their respective charitable purposes.

Group				Share of net assets
				£000
At beginning of financial period				195
Profits:				
TLC Lotteries Limited			70	
Worcestershire Hospices Lottery Limited			19	
Childlife			141	

Amounts withdrawn as gift aid:				230
TLC Lotteries Limited			(58)	
Worcestershire Hospices Lottery Limited			(42)	
Childlife			(100)	
			-----	(200)

At end of financial period				225
				=====
	TLC Lotteries Limited	Worcesterhire Hospices Lottery Limited	Childlife	Total
	£000	£000	£000	£000
Represented by:				
Share of gross assets	92	74	251	417
Share of gross liabilities	(19)	(61)	(112)	(192)
	-----	-----	-----	-----
	73	13	139	225
	=====	=====	=====	=====

Notes *(continued)*

14. Inventories

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Bought in goods for resale	22	14	-	-

15. Debtors

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Amounts owed by joint ventures (see note 24)	-	-	146	116
Income tax recoverable	657	596	657	596
Other debtors	481	353	478	351
Prepayments and accrued income	3,912	2,251	3,912	2,251
	5,050	3,200	5,193	3,314

16. Basic Financial Instruments

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Financial assets measured at fair value	6,823	7,431	6,823	7,431

Notes *(continued)*

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Amounts owed to subsidiary undertaking (see note 24)	-	-	74	37
Trade creditors	268	287	260	281
Other tax and social security	291	264	291	264
Accruals and deferred income	517	759	500	742
Other creditors	330	640	330	640
	<u>1,406</u>	<u>1,950</u>	<u>1,455</u>	<u>1,964</u>
				Group and Charity
				£000
Deferred income				
Balance at 1 April 2023				229
Amount released to income				(229)
Amount deferred in the financial period				261
				<u>261</u>
Balance at 30 March 2024				<u>261</u>

Deferred income relates to donations that fund services for a period spanning more than one financial period. The income is deferred and matched to services as they are provided in future accounting periods.

Notes *(continued)*

18. Provision for liabilities

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Dilapidations and onerous contracts	856	818	856	818

The movement in the dilapidations and onerous contract provision in the financial period was:

	2024 £000	2023 £000
At beginning of financial period	818	912
Utilised in the current financial period	(157)	(109)
Additions	195	15
At end of financial period	856	818

Within the provision for liabilities is the dilapidation provision for the cost of repairs to a number of leasehold properties at the end of their leases. The value is re-assessed annually. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain.

Notes (continued)

19. Fund balances

At 30 March 2024, group funds are analysed as follows:

	At 1 April 2023 £000	Income £000	Revenue expenditure £000	Gains/ (losses) and transfers £000	At 30 March 2024 £000
Designated fixed asset fund	11,373	-	-	1,156	12,529
Designated capital projects fund	2,600	-	-	1,000	3,600
Unrestricted available funds	9,402	17,003	(17,224)	(1,326)	7,855
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted income	23,375	17,003	(17,224)	830	23,984
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted income funds:					
Acorns Worcester	15	729	(735)	-	9
Worcester Children's Hospice Grant	-	684	(684)	-	-
Acorns Walsall	-	167	(139)	-	28
Walsall Children's Hospice Grant	-	684	(684)	-	-
Acorns Selly Oak	-	738	(389)	-	349
Selly Oak Children's Hospice Grant	-	684	(652)	-	32
Other projects	-	37	(37)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	15	3,723	(3,320)	-	418
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted capital funds:					
Acorns Walsall	-	16	-	(6)	10
Acorns Worcester	38	215	-	(227)	26
Acorns Selly Oak	224	-	-	(224)	-
Acorns Shops	5	-	-	(5)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	267	231	-	(462)	36
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	23,657	20,957	(20,544)	368	24,438
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes *(continued)*

19. Fund balances (Continued)

At 1 April 2023, group funds are analysed as follows:

	At 3 April 2022 £000	Income £000	Revenue expenditure £000	Gains/ (losses) and transfers £000	At 1 April 2023 £000
Designated fixed asset fund	9,537	-	-	1,836	11,373
Designated capital projects fund	4,000	-	-	(1,400)	2,600
Unrestricted available funds	7,852	14,738	(14,015)	827	9,402
	<u>21,389</u>	<u>14,738</u>	<u>(14,015)</u>	<u>1,263</u>	<u>23,375</u>
Unrestricted income					
Restricted income funds:					
Acorns Worcester	273	621	(879)	-	15
Worcester Children's Hospice Grant	-	574	(574)	-	-
Acorns Walsall	-	85	(85)	-	-
Walsall Children's Hospice Grant	-	574	(574)	-	-
Acorns Selly Oak	-	491	(491)	-	-
Selly Oak Children's Hospice Grant	-	574	(574)	-	-
Other projects	-	2	(2)	-	-
	<u>273</u>	<u>2,921</u>	<u>(3,179)</u>	<u>-</u>	<u>15</u>
Total					
Restricted capital funds:					
Acorns Walsall	506	878	-	(1,384)	-
Acorns Worcester	34	4	-	-	38
Acorns Selly Oak	174	50	-	-	224
Acorns Shops	5	-	-	-	5
	<u>719</u>	<u>932</u>	<u>-</u>	<u>(1,384)</u>	<u>267</u>
Total	<u>22,381</u>	<u>18,591</u>	<u>(17,194)</u>	<u>(121)</u>	<u>23,657</u>

Notes (continued)

19. Fund balances (Continued)

Restricted income funds

Acorns Worcester - income was received specifically for use at the Worcester hospice and was used to assist in the general running costs of that hospice.

Worcester Children's Hospice Grant - this was an NHS England grant awarded to assist with the running costs of the Worcester hospice.

Acorns Walsall - income was received specifically for use at the Walsall hospice and was used to assist in the general running costs of that hospice.

Walsall Children's Hospice Grant - this was an NHS grant awarded to assist with the running costs of the Walsall hospice.

Acorns Selly Oak - income was received specifically for use at the Selly Oak hospice and was used to assist in the general running costs of that hospice.

Selly Oak Children's Hospice Grant - this was an NHS grant awarded to assist with the running costs of the Selly Oak hospice.

Other projects - this fund relates to small amounts received in the financial period for specific purposes which are carried forward until expended.

Restricted capital funds

Acorns Walsall - funds were received that were specifically restricted for capital projects at Walsall.

Acorns Worcester - funds were received that were specifically restricted for capital projects at Worcester.

Acorns Selly Oak - funds were received that were specifically restricted for capital projects at Selly Oak.

Acorns Shops - funds were received that were specifically restricted for a capital project at the Moseley shop.

Fund transfers

Restricted capital funds are transferred to unrestricted funds on purchase of the asset concerned where no restrictive covenant is in place.

Unrestricted shop funds are transferred to unrestricted funds every year to support expenditure on care services.

Notes (continued)

19. Fund balances (Continued)

Designated funds

Designated fixed asset fund – this represents the net book value of the tangible and non-tangible assets as well as the investments in associated companies.

Designated capital fund – this represents future investment in our infrastructure assets.

20. Analysis of group net assets

At 30 March 2024	Unrestricted funds £000	Restricted income funds £000	Restricted capital funds £000	2024 Total £000	2023 Total £000
Tangible fixed assets	12,143	-	36	12,179	11,068
Intangible fixed assets	125	-	-	125	110
Fixed asset investments	4,259	-	-	4,259	6,876
Net current assets	8,313	418	-	8,731	6,421
Provisions	(856)	-	-	(856)	(818)
Total net assets	23,984	418	36	24,438	23,657
At 1 April 2023	Unrestricted funds £000	Restricted income funds £000	Restricted capital funds £000	2023 Total £000	2022 Total £000
Tangible fixed assets	10,801	-	267	11,068	9,209
Intangible fixed assets	110	-	-	110	146
Fixed asset investments	6,876	-	-	6,876	5,734
Net current assets	6,406	15	-	6,421	8,204
Provisions	(818)	-	-	(818)	(912)
Total net assets	23,375	15	267	23,657	22,381

Notes *(continued)*

21. Analysis of Charity net assets

At 30 March 2024	Unrestricted funds £000	Restricted income funds £000	Restricted capital funds £000	2024 Total £000	2023 Total £000
Tangible fixed assets	12,143	-	36	12,179	11,068
Intangible fixed assets	125	-	-	125	110
Fixed asset investments	4,034	-	-	4,034	6,681
Net current assets	8,359	418	-	8,777	6,427
Provisions	(856)	-	-	(856)	(818)
Total net assets	23,805	418	36	24,259	23,468
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 April 2023	Unrestricted funds £000	Restricted income funds £000	Restricted capital funds £000	2023 Total £000	2022 Total £000
Tangible fixed assets	10,801	-	267	11,068	9,209
Intangible fixed assets	110	-	-	110	146
Fixed asset investments	6,681	-	-	6,681	5,552
Net current assets	6,412	15	-	6,427	8,213
Provisions	(818)	-	-	(818)	(912)
Total net assets	23,186	15	267	23,468	22,208
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes *(continued)*

22. Financial commitments

At 30 March 2024, the Group and Charity had total future commitments under non-cancellable operating leases, as set out below:

	2024		2023	
	Land and buildings £000	Plant and machinery £000	Land and buildings £000	Plant and machinery £000
Group and Charity				
Amounts payable:				
Not later than one year	744	25	748	25
Later than one year and not later than five years	966	28	973	9
Later than five years	-	-	-	-
	1,710	53	1,721	34
	1,710	53	1,721	34

23. Pension costs

The group contributes, as part of an employee's contract of employment, amounts which are payable to defined contribution schemes or to an NHS defined benefit scheme where appropriate. During the financial period, employee and employer contributions totalled £990,000 (2023: £815,000). At 30 March 2024, the group owed employee and employer contributions of £270,000 (2023: £505,000). Amounts payable during the next twelve months are anticipated to be at similar levels.

The NHS scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. Consequently, it is not possible for Acorns Children's Hospice Trust to identify its share of the underlying scheme liabilities. The scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period.

Employer's pension cost contributions are charged to operating expenses as and when they become due. Employer contribution rates are reviewed every four years (previously five years) following a scheme valuation carried out by the Government Actuary. On advice from the actuary the contribution rate may be varied from time to time to reflect changes in the scheme's liabilities.

Employer contributions for the financial period were 14.3% of pensionable pay plus 0.08% for an administration levy taking the total employer contribution to 14.38%. Following the most recent valuation (as at 31 March 2020) the employer contribution rates will increase to 23.7% of pensionable pay over an implementation period of 1 April 2024 to 31 March 2027, although they currently remain at 14.38%. At 31 March 2020, the notional value of the scheme assets was £339.2bn and the assessment of the liabilities of the scheme was £380.1bn. The most recent valuation can be viewed at the following.

[Microsoft PowerPoint - NHSPS - 2020 valuation report - 19 October 2023 \(nhsbsa.nhs.uk\)](https://www.nhs.uk/about-us/our-organisation/microsoft-powerpoint-nhsp-2020-valuation-report-19-october-2023)

Notes *(continued)*

24. Related party transactions

The group owns a third share of TLC Lotteries Limited, a trading company which is jointly controlled by Acorns Children's Hospice Trading Limited, Focus Birmingham and The Hospice Charity Partnership, under the terms of a joint venture agreement. Mr M T Hopton (Trustee) is also a Director of TLC Lotteries Limited as was Mr N Cramer (Director) until 23 February 2024 when he was replaced by Mrs V Rowles (Interim Director).

The group also owns a third share of Worcestershire Hospices Lottery Limited, a trading company which is jointly controlled by Acorns Children's Hospice Trading Limited, St Richard's Hospice Foundation and The Primrose Hospice Limited. Mr M T Hopton (Trustee) and Mrs V Rowles (Interim Director) are also Directors of Worcestershire Hospices Lottery Limited.

The group controls a quarter share of Childlife, a charitable company limited by guarantee which is jointly controlled by Acorns Children's Hospice Trust, Ataxia UK, The National Deaf Children's Society and National Children's Bureau. Ms C White (Senior Officer) is a Childlife Trustee.

Notes *(continued)*

24. Related party transactions (Continued)

Transactions in the financial period:

	2024	Charity
	£000	2023
		£000
TLC Lotteries Limited		
Balance Brought forward	81	71
Share of profits	70	67
Administration expenses recharge	14	14
Gift aid received	(58)	(57)
Repayment of administration expenses	(14)	(14)
	<u>93</u>	<u>81</u>
Worcestershire Hospices Lottery Limited		
Balance Brought forward	32	11
Share of profits	19	42
Gift aid received	(42)	(21)
	<u>9</u>	<u>32</u>
Childlife		
Balance brought forward	4	21
Share of profits	141	83
Gift aid received	(100)	(100)
	<u>45</u>	<u>4</u>
	2024	Charity
	£000	2023
		£000
Totals		
Balance brought forward	117	103
Share of profits	230	192
Administration expenses recharge	14	14
Gift aid received	(200)	(179)
Repayment of administration expenses	(14)	(14)
	<u>147</u>	<u>116</u>
Amounts owing from joint ventures	147	116

Notes *(continued)*

24. Related party transactions (Continued)

Transactions and balances between Acorns Children's Hospice Trust and Acorns Children's Hospice Trading Limited, on normal commercial terms, were:

	2024 £000	2023 £000
Amount owed to subsidiary undertaking	(74)	(37)
Transactions during the financial period	-	-
Gift aid commission to subsidiary	(56)	(46)
Gift aid distributions received from subsidiary	115	100

Acorns Children's Hospice Trading Limited owns a third share of TLC Lotteries Limited under the terms of a joint venture.

	2024 £000	2023 £000
Amounts invoiced to TLC Lotteries Limited in respect of rent of office space and related charges	14	14
Balance due from TLC Lotteries Limited at end of financial period	-	3

25. Contingent assets – legacy income

As of 30 March 2024 (1 April 2023) the Charity had been notified of a number of residuary legacies, the value of which is uncertain. As at 6 August 2024 no further information had been received that would enable an accurate valuation (8 August 2023: £Nil). As a result, these legacies have not been accrued for within the 30 March 2024 financial statements (1 April 2023: £Nil).