Company number: 02036103
Charity number: 700859

Acorns Children's Hospice Trust

Report and financial statements

For the period ended 4 April 2026

SAYER | VINCENT

Acorns Children's Hospice Trust

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For the period ended 4 April 2026

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Acorns Children's Hospice Trust

Reference and administrative information

For the period ended 4 April 2026

Company number	02036103
Country of incorporation	United Kingdom
Charity number	700859
Country of registration	England & Wales
Registered office and operational address	Acorns House, 103 Oak Tree Lane, Selly Oak, Birmingham, B29 6HZ

Trustees

Trustees, who are also directors under company law, who served during the period and up to the date of this report were as follows:

S Watson	Chair, Board of Trustees
D Munton	Deputy Chair, Board of Trustees Chair, Finance, Audit & Risk Committee
G Ahmad	Chair, Care Assurance Committee
H Bradshaw	Appointed 30 September 2025
L Bull	Designated Safeguard Lead
A David	
P Dison	Retired 13 May 2025
A Ewer	
P Geary	Appointed 30 September 2025
S Hardcastle-Waugh	Retired 18 November 2025
K Heslop	
M Hopton	Retired 19 November 2025
J Ladbrooke	Chair, People & Governance Committee
K McNamara-Goodger	Retired 5 August 2025
C Maddox	Chair, Retail Assurance Committee
R O'Donoghue	Chair, Fundraising, Marketing & Communications Committee
G O'Hara	
A Short	Appointed 5 August 2025
A Ubhi	
B Waris	

Reference and administrative information

For the period ended 4 April 2026

Key management personnel

Key management who served during the period and up to the date of this report were as follows:

T Johnson	Chief Executive Officer
K Burbridge	Director of Care & Deputy Chief Executive Officer
L Bustin	Director of People & Culture (Appointed 9 March 2026)
G Harvey	Director of Finance & Resources (Appointed 5 May 2026)
S Lorking	Chief Financial Officer & Company Secretary (Retired 19 May 2026)
V Smith	Director of Income Generation
S Westcott	Company Secretary (Appointed 16 April 2026)

Bankers

Barclays Bank PLC
One Snow Hill Queensway
Birmingham
B3 3AG

Solicitors

Gateley PLC
One Eleven
Edmund Street
Birmingham
B3 2HJ

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON
EC1Y 0TG

A message from our Chair of the Board of Trustees

Welcome to all those reading this year's Annual Report and Financial Statements.

It would be remiss to start without recognising that after 3 years as an Acorns Trustee, this is my first as Chair and it is a great honour to lead the board and work with the CEO and Executive Directors and enable us to help reach children and families where they need us. I am excited to continue our important work. I would like to thank my predecessor, Mark Hopton who held the role so capably and left a lasting legacy at Acorns.

This year we worked on the foundations of our organisation, enabling us to deliver our exciting new 2026 -2029 strategy. This saw us begin the work to ensure our patient record systems are integrated into the wider health system. This helps us to smooth the journey and pathway right across the healthcare system for the children that use our services.

We also put into place a new team structure and doubled our capacity to support families at home. Beginning our journey to ensure that Acorns is a part of the journey for the families who need our support, not just the buildings where we have long delivered our exceptional care.

Vicky Smith our new Director of Income Generation joined us this year as we focused on maximising the income that we generate, knowing that the more we can raise the more children and families we can support. We opened a number of new shops, including our first ever retail park superstore at Bescot.

We were also extraordinarily grateful to be part of the Back to the Beginning concert, celebrating the cultural impact that Ozzy Osbourne made to our region, whilst also being the grateful recipient of part of the funding it generated. We have received £1.5 million from the proceeds of the concert and we, along with the region joined in the mourning for Ozzy just a few short weeks later. We continue to receive funds from the concert and this has built a long lasting relationship with the Osbourne family that continues to demonstrate their commitment to Acorns and the children and families we care for. We are so grateful to Sharon and the family for this.

Acorns again led the conversation on government funding for our sector. The funding formerly known as the Children's Hospice Grant was under threat once again and. I am exceptionally proud of the campaign that Acorns led that led to the government giving a 3 year commitment. There was also impact from this work with Acorns receiving capital funding from the government that enabled us to undertake improvement works to our buildings. This was welcome, although important to note that there remains an ongoing funding challenge as none of this capital funding can be used to fund the vital care we offer to children and families.

It is this care that was recognised formally by CQC as Outstanding at an inspection at our Selly Oak Hospice in August and I was especially proud to note the CQC comments that "other care services should read this report and see what they can learn". Truly recognising the incredibly hard work of our teams and the work that they do every day.

As we end the year, and enter a new one, we have made the appointments of Laura Bustin who will shortly join us to lead the People & Culture element of our organisation. As well as Gareth Harvey who will join us in the new financial year, to lead the Finance and Business Support Services teams.

Finally, I would like to add a few thanks on behalf of the trustees.

Firstly, to our amazing team of staff and volunteers whose dedication and commitment is an example to us all. Secondly, to everyone who has supported Acorns over the past year. Your gifts of time, donated goods and money enable us to continue to be there.

Finally, and most importantly, a special thank you to the children, young people and families we care for, often at the most difficult times. The Trustees are acutely aware of the importance of the Acorns service and our role in making sure we are there when you need us. You are a continuous source of inspiration to us and the reason that Acorns is here.

Sam Watson
Chair of the Board of Trustees

The trustees present their report and the audited financial statements for the period ended 4 April 2026.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The purpose of the Charity, as set out in the Articles of Association, is to promote the relief of suffering in the Midland counties of England and adjacent areas in particular by providing:

- Holistic palliative care services for Children and Young Persons who have a life limiting or life threatening condition; and,
- Support to the Family of any Child or Young Person who has a life threatening or life limiting condition needed in consequence of the illness, infirmity, disability or death of any such Child or Young Person.

Acorns provides care for babies, children and young people, who are life limited, or life threatened up to the age of eighteen. 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 (opened 1988), located in Selly Oak, supports families from Birmingham, North Warwickshire and Coventry;
- Acorns in the Black Country (opened 1999), located in Walsall, supports families from Walsall, Sandwell, Dudley, Wolverhampton, Staffordshire and Shropshire; and,
- Acorns for the Three Counties (opened 2005), located in Worcester, supports families from Worcestershire, Herefordshire, Gloucestershire and South Warwickshire.

Our Purpose

At Acorns our purpose, as described in our governing document above, is summarised as –

To positively impact children with short lives.

Our Vision

To provide outstanding specialist care to every child and their family who need us now and in the future.

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.

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

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.

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:

1. Identification of palliative care needs and care planning

    - Timely (earlier) identification of palliative care needs in hospitals
    - Timely (earlier) identification of palliative care needs in primary care

2. Specialist palliative care provisions for babies, children, young people

    - Specialist palliative care provided in all settings for babies, children and young people

3. Provision of integrated and holistic palliative and end of life care, by generalists and specialists working together

    - Palliative and end-of-life care delivered in the home

4. Out-of-hours care

    - Timely access to symptom management of common end of life symptoms
    - Dedicated palliative care telephone line as part of comprehensive out of hours care.
    - Enhanced specialist palliative care telephone support out-of-hours (hospital and community)

5. Specialist Advanced Clinical Community nursing and therapy

    - Providing specialist palliative symptom management and EOL care within the community setting

6. Holistic Family and carer support

    - Assessment of psychological and social family/carer support needs including sibling support

7. Palliative rehabilitation

    - Palliative rehabilitation via short stays including holistic review of needs and therapeutic interventions for symptom management

8. Bereavement

    - Family and carers loss grief and bereavement support

Where We Work

We provide vital care for children and families, including those who are bereaved, across Birmingham, Gloucestershire, Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire.

Volunteers

Acorns relies on dedicated and skilled volunteers who regularly give their time and talents and do so much to help to support the Charity.

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.

Volunteers that worked for the group part-time, without pay during the financial period donated a total of 337,993 hours, with a theoretical value estimated, using the National Minimum Wage, of £4,126,894 (2025: hours donated 302,403 with a theoretical value estimated, using the National Minimum wage, of £3,459,490). Trustees' donated time has not been included in the valuation.

Strategic report

Statement on Public benefit

The trustees confirm they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

The Charity provides public benefit through the provision of care to life limited and life threatened children living in the communities we work in. 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 the period to meet our charitable objectives.

Achievements and performance

The Charity's main activities and who it tries to help are described below. All of its charitable activities focus on the provision of care to life limited and life threatened children in the communities where we work and are undertaken to further Acorns Children's Hospice Trust's charitable purposes for the public benefit.

Paediatric Palliative Care Unit

Each of our hospices are purpose built with 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.

Community Specialist Palliative Care Team

This service is led by a Community Clinical Nurse Lead at each hospice and provides a tailored package of clinical care. It is delivered by a multi-disciplinary team comprising registered nurses, healthcare assistants, physiotherapists, and trained volunteers.

In our experience the provision of specialist nursing care for symptom management and end of life care in the home strengthens the family's capacity to cope, enabling them to function more effectively through their child's illness. Community support can also reduce the feeling of social isolation for the child and their family and can offer extra support at difficult times to help families to cope, for example, in hospital settings or on discharge and return to the family home.

Family Support

Our aim at Acorns is to help families feel equipped to cope at every stage of their child's life, with dedicated teams offering psychological, social, and practical support.

The family support team enable the well-being and resilience of family members, so that they can continue to meet the needs of their babies, children and young people. Our team will also ensure families can access services from other health, education, and social care providers.

Services Delivered

Below are some of the services we continued to provide during 2025/26: Within the hospice, in hospital and in the child's home

- End of life support
- Complex symptom management
- Neonatal and Antenatal services
- Complementary therapy
- Multisensory therapy
- Physiotherapy
- Hydrotherapy
- Loss, grief and bereavement support
- Family psychological and social wellbeing support
- Palliative rehabilitation
- After Death Care
- Memory Making

Criteria for Measuring Success

The trustee's criteria for measuring success are to ensure the Charity continues into the future and works to continually improve the quality and reach of the services provided to the babies, children and young people who could, and do, benefit from the services we offer. The sustainability of the Charity is therefore critical and consequently balancing costs and service provision whilst growing income and sustaining reserves is the priority for success.

Beneficiaries of our services

It is difficult to adequately measure the impact the Charity has on the beneficiaries of our services. However, a case study goes some way to explaining it.

We had a child who had a complex family situation. When they were diagnosed in , the family found comfort in their close-knit community, however they reported increased concern in relation to differing opinions of those within their community and requested admission to the hospice. The child underwent radiotherapy with palliative intent, but the disease continued to advance. By the time the decision was made to admit them to the hospice, they had been experiencing difficult symptoms to all their limbs and ribs. The episodes were painful and frightening. Their mobility had declined sharply in the preceding 48 hours, and the practical realities of her home made it impossible for the community nursing team to manage Alongside this, their family were beginning to feel the weight of differing opinions within their community about how they should be cared for, and they asked for admission to the hospice.

The child's medication history was complicated giving complex side effects. They were passing urine as frequently as every hour, with unpleasant side effects. There was no advance care plan in

place when they arrived. Their parents, holding firmly to their hope, wanted escalation to hospital to investigate reversible causes. They were not ready to hear what the child's body was telling them.

The family's beliefs were central to everything that followed. They did not support the use of medications, and wherever possible sought natural alternatives and supplementary approaches. A healer they had connected with virtually had become a daily presence in their lives as a source of comfort. The hospice team understood that to care for the child was to care for all of this, the family's faith, their fears, their way of understanding the world.

On their first day in the hospice, despite everything they body were going through, the child was clear about what they wanted. They wanted to maintain their mobility - to hold onto that ordinary act of independence for as long as they could. The physiotherapy team and the clinical team worked alongside them to support those wishes, while also gently helping them understand what they were now able to do. These conversations happened in calm, private spaces sometimes with their parents beside them, and sometimes just with the child because they deserved to be heard as an individual, not only as someone's child.

Four days after admission, the clinical team met to review their condition. The picture was stark they were deteriorating significantly, and they were approaching the end of their life. The team opened honest discussions with the family about what lay ahead, about the symptoms they might experience, about pain, about agitation, and about the pharmacological and non-pharmacological options that could help manage what was coming. Their parents listened but held their ground. They would consider it, they said. They would talk amongst themselves, and their child.
The child when spoken with privately, reflected their parents' wishes. They did not want clinical intervention where it could be avoided. The team listened, documented their preferences and continued to support.

After several days, the conversations had reached their most difficult point. The hospice team sat with the family in an open and honest discussion — one shaped with care, delivered sensitively, during their grief. Their child was dying. The focus of their care needed to turn now toward comfort, toward any memories they still wanted to create.
In the days that followed, the team provided a combination of pharmacological and non-pharmacological care responsive to the child, attentive to the family, and always held within the boundaries of what they wanted.

Several days after the child was admitted, they died. The family were with them.
They did not leave straight away. They remained with us for some days afterwards, a space that had become, in the weeks of uncertainty and grief, something like a home. When the time came to go back to their community, the community nursing team had been supported and prepared to manage with care and dignity what followed in the home setting.

There were complex family circumstances, but the child died surrounded by people who loved them deeply and understood their world. Acorns were able to make sure that at the end of their

life, a team of people worked not to override that world, but to meet the family where they needed and to make sure that, when the end came, it came with as much peace and presence as was possible to give.

Performance Measures

Our next strategy period is 2026- 2029. During the period of transition, we will be developing Objectives and Key Results (OKR's) to demonstrate performance against our objectives.

At the end of the period, we had 780 children registered with Acorns, a decrease on the prior period of 26. This included 154 referrals and 170 discharges.

Our ability to achieve our planned objectives is dependent on the long-term sustainable funding of the Charity.

Financial review

The result for 2025-26 was a surplus of £2.521 million (2024-25: deficit £0.934 million). Operating activities generated £1.290 million cash for the financial period (2024-25: used £0.328 million). Available reserves at the end of the reporting period were £7.802 million (2024-25: £6.289 million).

Income

Total income for the period was £26.831 million (2024-25: £22.219 million).

Our incredible and loyal supporters continued to support the Charity with donation income amounting to £6.481 million (2024-25: £5.074 million). The increase being largely due to the income from the unique Back to the Beginning Concert and unlikely to be repeated,

Also unlikely to be repeated was the capital grant income received from the Department of Health and Social Care Capital Grant of £1.314m.

Legacy income, continues to be a significant source of income and amounted to £4.686 million (2024-25: £3.780 million).

Our shops produced income of £9.077 million (2024-25: £7.857 million). Exemplary performance by the retail team achieving an outstanding level of income for the period, primarily by further leveraging a proven and established model and acquiring new larger format shops.

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 period or volunteering.

Expenditure

Expenditure for the period totalled £24.895 million (2024-25: £23.150 million) which reflects the increased costs of raising income and delivery of care services.

Gains

In addition to net income for the period of a surplus of £1.936m (2024-25: deficit £0.931m), largely as a result of one off income, unrealised investment gains of £0.585m (2024-25: losses £0.003m) were also achieved.

Cashflow

The Consolidated Statement of Cashflows is shown on page 36. Total cash and cash equivalents ended the year at £1.893m (2024-25: £3.062m).

Operating cashflows were positive £1.290m (2024-25: negative £0.328m) after adjusting for unrealised investment gains of £0.585m (2024-25: losses £0.003m) and timing differences in the conversion of debtors to cash, largely as a result of a significant increase in the legacy accrual at year end.

The DHSC Capital Grant for the period of £1.314m was only claimable if it had been spent by the end of the year. Consequently, operating cashflows were spent during the period on fixed assets funded by the grant as well as that planned as part of the capital plan to upgrade hospice assets and the investment in an additional retail superstore, to grow income.

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 2025-26 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 Finance, Audit and Risk 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.

Portfolio Performance

Portfolio Performance (%)

Rate of Return*	Reporting Period (6-Apr-25 to 4-Apr-26)	MTD	QTD	YTD	3 Years Annualised	Since Inception Annualised (12-Feb-20)
Investment Portfolio Return	15.18	1.39	1.39	(1.45)	8.01	4.90
Blended Benchmark Return	22.82	1.25	1.25	2.26	11.55	6.78
Excess Return	(7.65)	0.13	0.13	(3.71)	(3.54)	(1.88)

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 15.18% (2025: loss of 0.07%) whilst the Blended Benchmark return was a gain of 22.82% (2025: gain of 1.62%) an underperformance against the Blended Benchmark of 7.65% (rounded) (2025: underperformance 1.70%). 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.

The 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. Counterparty 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.

Principal risks and uncertainties

The Board recognises that effective risk management is essential to safeguarding the charity's ability to deliver high quality care and support to children and families.

Governance and Oversight

- The Finance, Audit & Risk Committee (FAR Committee) oversees the risk management framework on behalf of the Board.
- The FAR Committee reviews the risk register and reports to the Board, which formally approves any significant changes.

Principal Risks Identified

During the year, the trustees considered the major risks facing the charity. The most significant risks identified are:

1. Financial Sustainability

- Risk: Reduced income, rising costs, and economic uncertainty.
- Mitigation: Active fundraising strategy, diversified income streams, careful cost management, reserves policy and quarterly financial performance reviews.

2. Regulatory Compliance

- Risk: Non-compliance with healthcare regulations, safeguarding standards, GDPR, and Charity Commission requirements.
- Mitigation: Comprehensive compliance framework, regular audits, mandatory staff training, as well as regular compliance reviews at each facility.

Risk Appetite and Monitoring

The charity maintains a low to moderate risk appetite, prioritising the safety and wellbeing of children and families while recognising that some risk is inherent in innovation and service development.

- The risk register is reviewed by the FAR Committee and at least twice annually by the Board.
- Internal audits and external reviews provide assurance on the effectiveness of controls.

Trustees' Statement

The trustees confirm they have reviewed the major risks to which the charity is exposed and have established systems and procedures to manage those risks effectively. The Board is satisfied that these arrangements are appropriate and proportionate to the charity's size and complexity.

Reserves policy and going concern

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 £8.3m to £12.5m. The target was calculated following an assessment of the potential risks to income and expenditure. It represents approximately 4 to 6 months operating expenditure. Available reserves at period end were £7.752 million (2024-25: £6.289 million), slightly below target range. Plans are in place to address this by increasing our sustainable fundraising and retail income in the coming years. The Designated Capital Projects Fund decreased during the period. The balance remaining reflects our future plans for the refurbishment and improvement of our Hospice and retail assets.

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

	£'000	£'000
Total Reserves	26,025	23,504
Less		
Restricted Reserves	(2,444)	(1,041)
Designated – Intangible Fixed Assets Fund	(474)	(93)
Designated – Tangible Fixed Assets Fund	(14,304)	(12,767)
Designated – Investments in Associates Fund	(131)	(214)
Designated – Capital Projects Fund	(1,100)	(3,100)
Available Reserves	**7,572**	**6,289**

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.

The Charity's financial position and performance have been outlined in the financial review above. The trustees have assessed projected future income, expenditure and cashflows over the period to August 2027 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 and expected cost inflation 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.

Fundraising

The charity undertakes fundraising activities in accordance with the Fundraising Regulator's Code of Fundraising Practice and the Charity Commission's guidance. We are registered with the Fundraising Regulator and adhere to its standards to ensure that all fundraising is legal, open, honest, and respectful.

Approach to Fundraising

- We use a mix of fundraising methods, including individual giving, events, corporate partnerships, grants, and legacy fundraising.
- We do **not** engage in intrusive or unethical practices and ensure that all communications respect the dignity and privacy of supporters and beneficiaries.
- We work with third-party agencies for certain campaigns under written agreements that require compliance with the Code of Fundraising Practice.

Monitoring and Oversight

- The Fundraising, Marketing and Communications Committee and the Board review fundraising performance and compliance quarterly.
- All staff and volunteers involved in fundraising receive training on ethical standards and safeguarding.
- We monitor complaints and feedback to continuously improve our practices.

Protecting Vulnerable People

- We have clear policies to protect vulnerable individuals from undue pressure or exploitation.
- Fundraisers are trained to identify and respond appropriately to signs of vulnerability.

Complaints and Transparency

- We received 2 complaints about fundraising during the year (2024-25: 5) all official complaints were resolved promptly and in line with our complaints policy.
- Our complaints procedure is published on our website and can be found here

  Feedback and complaints - Acorns Children's Hospice

Achievements and Plans for the future

2025/26 has been a transition year as we established the foundations for the launch of new strategy for 2026-2029 – Our Vision, their Future. During the foundation year we undertook the following:

- Implementing the target care workforce design to support effective delivery of care services

  The desired outcome was a workforce with the capacity and skills to deliver relevant care services to patients and their families, aligned to our target model of care with clear roles and expectations to meet the needs of the children and families. This has been achieved with the new workforce structure in place during September 2025 and the project closed in October 2025.

- Introducing a new care data system, which enables us to integrate into the wider NHS system to support seamless care management and to effectively manage our resources

  The desired outcome was to be able to manage records relating to the provision of care to patients and their families more effectively with an application that integrates into the wider NHS system. An application has been identified with a live build to be completed in June 2026 with a phased roll out to each of our other sites between June and September 2026 with the project expected to close by October 2026.

- Develop a fundraising strategy to deliver a voluntary income generation target of £10 million in three years

  The desired outcome was a fundraising strategy and action plan to deliver £10 million of voluntary income per year in the next three years. This has been achieved ready for

execution over the next three years, although the target has been revised to deliver an additional £5 million of income over three years.

- Develop a strategy to maximise our estate and maintain operations

  The desired outcome was to relocate teams from the existing central office site to other existing sites and save the central office lease and running costs. This was achieved with the central office returned to the landlord during December 2025.

- Establish a consistent approach to governance of Policies, Procedures, Incidents and Accidents, Risk and Contract management and systems to support this

  The desired outcomes were improved decision making, enhanced accountability, increased efficiency, responsiveness and effectiveness across the charity. An application has been identified that will support this. A phased approach to module implementation is being undertaken through the next year.

- Develop a three-year People and Culture strategy

  The desired outcome was safe and compliant teams through relevant mandatory and statutory learning for all roles, facilitated by a refreshed learning platform and equipping line managers and leaders to get the best out of their people. The learning platform refresh completed in December 2025. Other aspects of the project have been delayed into the next year following the successful recruitment and appointment of a new Director of People and Culture in March 2026. This will be delivered by September 2026

In the new 2026-2029 strategy, our goals will be:

- To positively challenge the delivery of children's palliative care;
- To build a fearless, growing organisation that is powered by its supporters;
- To create a culture, where passion meets purpose; and,
- To be a voice for children and their communities, within the West Midlands and beyond.

For 2026-27 our workstreams are:

- Infrastructure, Systems and Data

  Invest in modern systems, data capability and facilities that enable effective care, fundraising and retail operations, providing the infrastructure, insight and environments needed to deliver high-quality services and sustainable growth.

- Organisational Culture & Internal communications

Strengthen a values-driven culture where our people feel connected to purpose, supported through change and empowered to contribute, underpinned by clear leadership, strong internal communication and a shared sense of belonging.

- Partnerships & Collaboration

  Build strong relationships across health systems, communities and supporters to deliver integrated care, expand our reach and influence, and ensure children and families benefit from coordinated, accessible and responsive support.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 10 July 1986 and registered as a Charity on 15 November 1988.

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.

The company's governing document is the Articles of Association which establishes the objects and powers of the charitable company.

An individual member cannot acquire a significant interest (more than 25 per cent of voting rights) as an owner of the Trust because the Trust's Articles of Association (dated 14 November 2023) provide for a minimum of twelve 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.

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 period, 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 below:

Assurance Committee	Key Accountabilities
Care	> Governance, Accountability & Assurance > Regulatory Compliance (CQC) > Quality Strategy, Standards & Improvement > Risk Management & Safety > Patient/Family Experience & Engagement > Safeguarding & Duty of Candour Culture > Workforce, Competence & Culture > Information Governance, Data Quality & Records
Fundraising, Marketing & Communications	> Fundraising Oversight and Governance > Marketing & Brand Stewardship > Communications, Public Affairs & Stakeholder Engagement > Risk Management
Retail	> Monitor retail financial performance > Oversee retail risk registers and assurance frameworks > Ensure retail estate safety, compliance and quality standards > Oversee Gift Aid compliance and quality assurance > Assure the integrity and appropriateness of retail shop based messaging and marketing > Monitor incident reporting and escalation within retail, > Monitoring Acorns Children's Hospice Trading Limited.
Finance, Audit and Risk	> Oversee the charity's risk-management framework > Ensure effectiveness of internal financial controls > Monitor compliance with Charity SORP 2026 requirements > Scrutinise the charity's financial performance > Oversee external audit arrangements > Provide oversight of internal audit or assurance activity > Ensure regulatory compliance > Review and recommend budgets, forecasts and major financial decisions > Oversee reserves policy, liquidity and investment strategy

Assurance Committee	Key Accountabilities
People Development Committee	> Workforce Strategy & Planning > Risk Oversight for People Matters > Safe Staffing & Capability > Culture, Leadership & Well Led > Equality, Diversity & Inclusion > Education, Training & CPD > Volunteer Strategy & Governance > Health, Safety & Wellbeing of Staff and Volunteers

Appointment of trustees

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 Chair 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.

Trustees are elected for terms of three years at a time. Expectation of tenure when joining the Board is for a minimum of two terms and no more than three terms. The Chair'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 1, as well as appointments and retirements during the financial period and post balance sheet period.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 8 to the accounts.

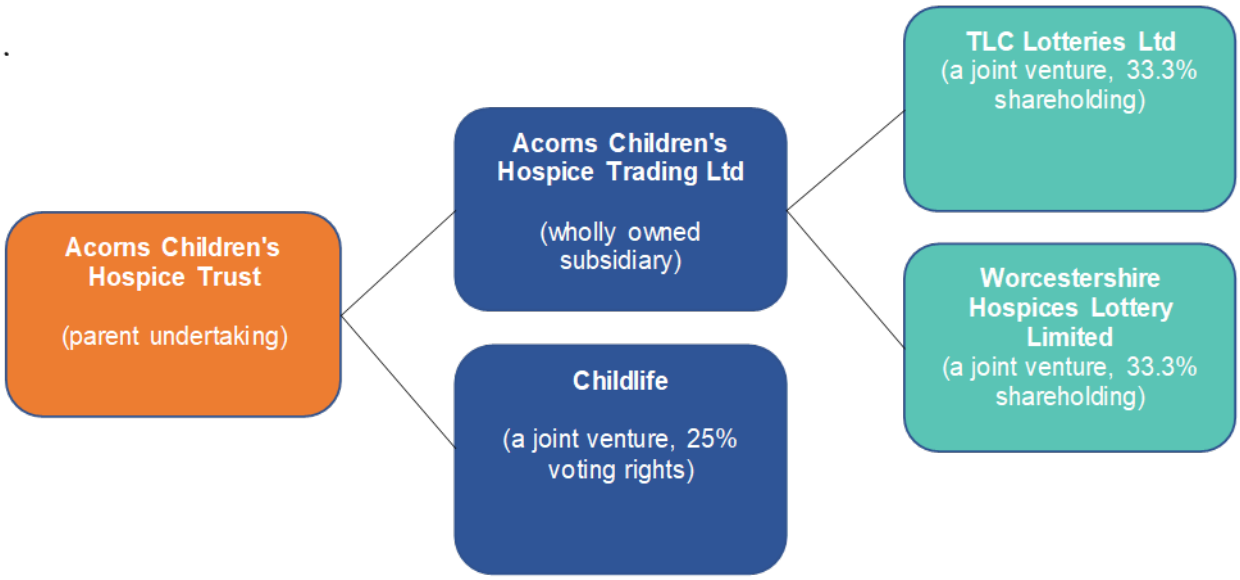
Trustee induction and training

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 and complete required mandatory training.

Related parties and relationships with other organisations

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:

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 15 to the financial statements (page 50). In addition to these activities, the Board of the Trading Company also monitors 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.

Remuneration policy for key management personnel

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.

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 to review and recommend changes to other key managers' pay. The CEO is not present at the meeting when their own pay and performance is discussed.

Policy for employment of disabled persons

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.

Employee information

Our employees and volunteers received regular communication throughout the period from the Chair 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.

Relationships with stakeholders s172(1)

The trustees, who are also directors of the charitable company for the purposes of the Companies Act 2006, have had regard to their duty under Section 172 to act in good faith in a way most likely to promote the success of the charity in achieving its charitable purposes.

For our charity, success means delivering high-quality hospice care to children and young people with life-limiting conditions, while ensuring the long-term sustainability of the organisation so that families can continue to rely on our support.

Throughout the year, the Board has considered the long-term impact of its decisions and the interests of those who are central to our work.

Children, young people and families are at the heart of all decision-making. Trustees receive regular reports on quality of care, safeguarding, family feedback and service demand. Feedback from families directly informs service improvements and future planning.

Our staff and volunteers are essential to the safe and compassionate delivery of care. The Board reviews workforce metrics, receives updates on staff wellbeing and recruitment, and considers the impact of financial decisions on morale and retention. We aim to foster a supportive and inclusive culture.

The charity depends on the generosity of donors, supporters and retail customers, and the Board monitors fundraising standards, income performance and supporter engagement to ensure trust and confidence are maintained.

We work closely with partners and operate within a regulated environment, maintaining constructive relationships with bodies including the Care Quality Commission and the Charity Commission for England and Wales. Compliance, safeguarding and high standards of conduct remain central to Board oversight.

When making significant decisions during the year, trustees have carefully balanced the need to protect frontline services with the importance of financial resilience. This has included reviewing income forecasts, reserves levels and cost pressures to ensure that today's decisions do not compromise future sustainability.

The Board recognises that trade-offs are sometimes required. In doing so, trustees prioritise the safety and quality of care, the wellbeing of staff and volunteers, and the long-term ability of the charity to fulfil its mission.

By embedding these considerations into regular Board discussions and strategic planning, trustees believe they have discharged their duties under Section 172 in a manner consistent with the charity's values and responsibilities.

In order to further promote the success of the charity in achieving its charitable purposes we implemented the following change during the year (see over):

Stakeholder group and why they are important to our success	Their requirements	How we engage	2025-26
Children that use our services and their families	Evolving our services so that we can constantly improve. Simplifying access.	We consult with children and families on what they would like to see and how to be more responsive and improve access for them. We have groups that come together to share their experience and to input into suggestions for improvements.	We decided to launch a new platform to encourage feedback from families called 'I want great care' We structured our team to enable us to deliver more work in the community. Reaching families where they need us rather than solely at the hospice. Doubling our outreach capacity. We are changing our patient record system to SystmOne. This system will enable us to integrate with the healthcare system fully and help families to not have to repeat information to different services, avoiding distress.

Energy and carbon reporting

At Acorns Children's Hospice, we are committed to enhancing energy efficiency and minimising our carbon footprint as part of our broader environmental sustainability strategy. Our Worcester and Walsall hospices continue to leverage photovoltaic panels for on-site electricity generation, reducing reliance on conventional energy sources and reinforcing our sustainability efforts.

During the previous period we used 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 now have Shaping a Better World, our environmental sustainability plan. It is based on the three pillars of People, Purchasing and Planet. Achieving our plan continues to be monitored by our green champions and our Environment Sustainability Steering Group.

Methodology

The three hospices, our central office that we closed in December 2025 and one shop, all use electricity and gas for heat, light and power. The other 46 shops use electricity for heat, light and power.

Energy consumption data for our hospices, Drakes Court (our former central office), and all retail locations were sourced from our energy broker for the reporting period. During the period there was some travel by staff in their own cars. This detail was extracted from the expenses system and included in the table below. There was minimal rail travel which is not included and there was no air travel. The UK Government Green House Gas Conversion Factors for Company Reporting 2025 have been used to provide the required conversion rates.

Emission Statistics

	2026	2025
Energy consumption used to calculate emissions (kWh)	2,529,304	2,347,358
Emissions from purchased electricity (tCO2e)	230.7	198.5
Emissions from the combustion of gas (tCO2e)	224.3	253.9
Total gross emissions (tCO2e)	455.0	452.4
Intensity ratio (total tCO2e per FTE employee)	1.34	1.06

The charity is committed to sustainability and has published an environmental sustainability plan, Shaping a Better World.

All electricity consumed is from zero carbon, renewable sources.

All shops and Black Country hospice have LED lighting installed. Birmingham hospice has four electric vehicle charging points and Black Country and Three Counties two each.

Photovoltaic panels are in place at Three Counties and Black Country Hospices to produce electricity and are in daily use. Panels have also been fitted to Birmingham Hospice and are anticipated to go live in the new financial year.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice 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 Charity will continue in operation.

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

In so far as the trustees are aware:

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

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 4 April 2026 was 16 (2025:16). The trustees are members of the Charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

Auditor

Sayer Vincent LLP has expressed its willingness to continue as auditor to the company.

The trustees' annual report which includes the strategic report has been approved by the trustees on 18 August 2026 and signed on their behalf by

Dave Munton
Deputy Chair of the Board of Trustees

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 4 April 2026 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 of the parent charitable company's affairs as at 4 April 2026 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group 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 Acorns Children's Hospice Trust'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 trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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' annual report, including the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 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 in the trustees' annual report, the trustees (who are also the directors of the parent 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
    - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
    - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Fleur Holden (Senior statutory auditor)
4 September 2026
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Acorns Children's Hospice Trust

Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 4 April 2026

	Note	Unrestricted £000	Restricted £000	**2026 Total £000**	Restated Unrestricted £000	Restated Restricted £000	2025 Total £000
Income from:							
Donations and legacies	2	8,902	2,265	**11,167**	6,606	2,248	8,854
Charitable activities							
Residential and community care services	3	2,392	3,467	**5,859**	2,335	2,400	4,735
Other trading activities	4	9,383	–	**9,383**	8,224	–	8,224
Investments	5	165	–	**165**	183	–	183
Share of JV's net profit		227	–	**227**	163	–	163
Other		30	–	**30**	60	–	60
Total income		21,099	5,732	**26,831**	17,571	4,648	22,219
Expenditure on:							
Raising funds	6	10,458	–	**10,458**	8,900	–	8,900
Charitable activities							
Residential services	6	6,160	4,481	**10,641**	6,819	4,101	10,920
Community care services	6	3,775	21	**3,796**	3,268	62	3,330
Total expenditure		20,393	4,502	**24,895**	18,987	4,163	23,150
Net income / (expenditure) before net gains / (losses) on investments		706	1,230	**1,936**	(1,416)	485	(931)
Net gains / (losses) on investments		585	–	**585**	(3)	–	(3)
Net income / (expenditure) for the year	7	1,291	1,230	**2,521**	(1,419)	485	(934)
Transfers between funds		(173)	173	**–**	(102)	102	–
Net movement in funds		1,118	1,403	**2,521**	(1,521)	587	(934)
Reconciliation of funds:							
Total funds brought forward		22,463	1,041	**23,504**	23,984	454	24,438
Total funds carried forward		23,581	2,444	**26,025**	22,463	1,041	23,504

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 29a to the financial statements.

Balance Sheets

Company no. 2036103

As at 4 April 2026

	Note	The group 2026 £000	The group 2025 £000	The charity 2026 £000	The charity 2025 £000
Fixed assets:					
Tangible assets	12	**14,304**	12,767	**14,304**	12,767
Intangible assets	13	**474**	93	**474**	93
Investments	14	**4,616**	4,031	**4,616**	4,031
Investments in associated companies	16	**131**	214	**–**	–
		19,525	17,105	**19,394**	16,891
Current assets:					
Stock	18	**12**	17	**–**	–
Debtors	19	**6,972**	4,853	**7,024**	4,988
Investments	20	**101**	2,203	**101**	2,203
Cash at bank and in hand		**1,792**	1,259	**1,744**	1,207
		8,877	8,332	**8,869**	8,398
Liabilities:					
Creditors: amounts falling due within one year	21	**(1,740)**	(1,187)	**(1,780)**	(1,236)
Net current assets		**7,137**	7,145	**7,089**	7,162
Total assets less current liabilities		**26,662**	24,250	**26,483**	24,053
Provision for liabilities	22	**(637)**	(746)	**(637)**	(746)
Total net assets		**26,025**	23,504	**25,846**	23,307
Funds:	26a/b				
Restricted income funds		**908**	756	908	756
Restricted capital funds		**1,536**	285	1,536	285
Unrestricted income funds:					
Designated funds		**16,009**	16,174	15,879	15,960
General funds		**7,572**	6,289	7,523	6,306
Total unrestricted funds		**23,581**	22,463	**23,402**	22,266
Total funds		**26,025**	23,504	**25,846**	23,307

Approved by the trustees on 18th August 2026 and signed on their behalf by

Dave Munton
Deputy Chair of the Board of Trustees

Acorns Children's Hospice Trust

Consolidated Statement of Cash Flows

For the year ended 4 April 2026

	Note	2026		2025	
		£000	£000	£000	£000
Cash flows from operating activities					
Net **income / (expenditure)** for the reporting period (as per the statement of financial activities)		**2,521**		(934)	
Depreciation charges		**948**		833	
Amortisation charges		**40**		54	
Gains / (losses) on investments		**(585)**		3	
Share of JV net profit		**(227)**		(163)	
Dividends, interest and rent from investments		**(165)**		(183)	
Loss on the disposal of fixed assets		**28**		4	
Decrease / (increase) in assets held for sale		**400**		185	
Decrease / (increase) in stocks		**5**		5	
(Increase) / decrease in debtors		**(2,120)**		197	
Increase / (decrease) in creditors		**554**		(219)	
Decrease in provisions		**(109)**		(110)	
Net cash provided by / (used in) operating activities			**1,290**		(328)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**165**		183	
Gift aid receipts from JVs		**310**		174	
Purchase of fixed assets		**(2,513)**		(1,425)	
Purchase of intangible fixed assets		**(421)**		(22)	
Net cash (used in) by investing activities			**(2,459)**		(1,090)
Change in cash and cash equivalents in the year			**(1,169)**		(1,418)
Cash and cash equivalents at the beginning of the year			**3,062**		4,480
Cash and cash equivalents at the end of the year			**1,893**		3,062

Analysis of cash and cash equivalents

	At 5 April 2025	Cash flows	**At 4 April 2026**
	£	£	**£**
Cash at bank and in hand	1,259	533	**1,792**
Blackrock money market fund	1,803	(1,702)	**101**
Total cash and cash equivalents	3,062	(1,169)	**1,893**

1 Accounting policies

a) Statutory information

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

The registered office address is Acorns House, 103 Oak Tree Lane, Selly Oak, Birmingham, B29 6HZ.

b) Restatement of comparative information

Certain comparative figures for the year ended 5 April 2025 have been re-presented in the financial statements for the year ended 4 April 2026 and are referred to as , restated. These changes are presentational only, being a reanalysis, and have no impact on the Charity's reported net income, fund balances, net assets or cash flows for the comparative period. The restatement simply supports comparability between the two years.

c) 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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Acorns Children's Hospice Trading Limited on a line-by-line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. A summary of the result for the year is disclosed in note 17 to the accounts.

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

Key judgements that the charity has made which have a significant effect on the accounts include:

- 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; and,
- 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.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

e) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees have assessed projected future income, expenditure and cashflows over the period to August 2027 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.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

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

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1 Accounting policies (continued)

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity

- Raising Funds 16%
- Residential Care services 64%
- Community Care services 20%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold buildings 50 years
- Short leasehold property 5 years
- Fixtures, fittings and equipment 5 years
- Computer equipment 4 years
- Motor Vehicles 4 years

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.

1 Accounting policies (continued)

n) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

Listed 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 quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. Deposits with Blackrock money market fund are also treated as investments. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

Joint Ventures

A joint venture is an entity over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Interests in joint ventures are accounted for in the consolidated financial statements using the equity method. Under this method, the investment is initially recognised at cost and subsequently adjusted for the Group's share of the joint venture's post-acquisition surplus or deficit and other recognised gains and losses. The carrying value of the investment is reduced by distributions received from the joint venture.

The Group's share of the net income or expenditure of joint ventures is included within the Statement of Financial Activities as a separate line item. The Group's share of the net assets of joint ventures is included within fixed asset investments in the balance sheet. Where there is objective evidence that the value of an investment in a joint venture has been impaired, an impairment loss is recognised immediately in the Statement of Financial Activities. The carrying amount of investments in joint ventures is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

The shares in TLC Lotteries Limited and Worcestershire Hospices Lottery Limited are owned by Acorns Children's Hospice Trading Limited and are stated at cost less any provision for impairment. Childlife is company limited by guarantee with no share capital. Consequently the investment is held at no value by the charity.

o) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. In general, cost is determined on a first in first out basis and includes transport and handling costs. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock for resale or distribution are not included in the accounts until they are sold or distributed because the trustees consider it impractical to be able to assess the amount of donated stocks, undertaking a stock take would incur undue cost for the charity which far outweigh the benefits.

p) Debtors

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.

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

r) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

1 Accounting policies (continued)

s) 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.

t) Financial instruments

The charity 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 later measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

u) 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% (2025: 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 activitv.

2 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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 stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met. 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.

2 Income (Continued)

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Gifts	5,247	1,234	**6,481**	3,624	1,450	5,074
Legacies	3,655	1,031	**4,686**	2,982	798	3,780
	8,902	2,265	**11,167**	6,606	2,248	8,854

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

3 Income from 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.

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
NHS England Children's Hospice Grant	-	2,153	**2,153**	`	2,098	2,098
DHSC Capital Grant (see note 12)	-	1,314	**1,314**	-	302	302
Contract income	2,366	-	**2,366**	2,261	-	2,261
Training income	26	-	**26**	74	-	74
Total income from charitable activities	2,392	3,467	**5,859**	2,335	2,400	4,735

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.

4 Income from other trading activities

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Sales of donated and bought-in goods	9,077	–	**9,077**	7,857	–	7,857
Events	306	–	**306**	367	–	367
	9,383	–	**9,383**	8,224	–	8,224

5 Income from investments

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Bank interest	137	–	**137**	183	–	183
Dividends	28	–	**28**	–	–	–
	165	–	**165**	183	–	183

6a Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £000	Residential care services £000	Community care services £000	Governance costs £000	Support costs £000	**2026 Total £000**	2025 Total £000
Staff costs (Note 8)	5,503	6,014	2,375	337	3,067	**17,296**	16,324
Trading costs - shops	3,350	-	-	-	-	**3,350**	2,686
Events costs	106	-	-	-	-	**106**	118
Direct costs	670	1,331	403	-	-	**2,404**	2,404
Communications	-	-	-	-	110	**110**	153
Head office and property	-	-	-	303	832	**1,135**	1,083
Finance and management	-	-	-	63	266	**329**	234
HR and project support	-	-	-	-	144	**144**	92
Audit fees	-	-	-	21	-	**21**	56
	9,629	7,345	2,778	724	4,419	**24,895**	23,150
Support costs	712	2,832	875	-	(4,419)	**-**	-
Governance costs	117	464	143	(724)	-	**-**	-
Total Expenditure 2026	**10,458**	**10,641**	**3,796**	**-**	**-**	**24,895**	
Total Expenditure 2025	8,900	10,920	3,330	-	-		23,150

6b Analysis of expenditure (prior year)

	Charitable activities					
	Raising funds £000	Residential care services £000	Community care services £000	Governance costs £000	Support costs £000	**2025 Total £000**
Staff costs (Note 8)	4,781	6,231	1,954	297	3,061	**16,324**
Trading costs - shops	2,686	–	–	–	–	**2,686**
Events costs	118	–	–	–	–	**118**
Direct costs	512	1,501	391	–	–	**2,404**
Communications	–	–	–	–	153	**153**
Head office and property	–	–	–	277	806	**1,083**
Finance and management	–	–	–	52	182	**234**
HR and project support	–	–	–	–	92	**92**
Audit fees	–	–	–	56	–	**56**
	8,097	7,732	2,345	682	4,294	**23,150**
Support costs	693	2,751	850	–	(4,294)	**–**
Governance costs	110	437	135	(682)	–	**–**
Total Expenditure 2025	**8,900**	**10,920**	**3,330**	**–**	**–**	**23,150**

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2026 £000	2025 £000
Depreciation	**948**	796
Amortisation of intangible assets	**40**	54
Operating lease charges:		
Buildings (including retail shops)	**1,316**	1,141
Plant and machinery	**44**	43
Operating lease income	**(8)**	(14)
Auditor's remuneration (excluding VAT):	**37**	45
Audit of financial statement of subsidiaries pursuant to legislation	**3**	5
Other services	**6**	15

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

Staff costs were as follows:

	2026 £000	2025 £000
Salaries and wages	**14,399**	13,962
Defined benefit pension costs	**1,146**	1,055
Social security costs	**1,751**	1,307
	17,296	16,324

Included in the above, additional benefits paid to leavers amounted to £330,000 (2025: £168,000).

The key management personnel of the parent charity, the Trust, comprise the trustees, the Chief Executive Officer, Director of Care and Deputy CEO, Chief Financial Officer, Director of Income Generation and Director of People & Culture. The total employee benefits (including employer's pension contributions and NIC) of the key management personnel of the Trust were £504,910 (2025: £494,621).

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.

	2026 No.	2025 No.
£60,000 - £69,999	**9**	4
£70,000 - £79,999	**2**	2
£80,000 - £89,999	**1**	-
£90,000 - £99,999	**3**	2
£100,000 - £109,999	**2**	1

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

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2025: £nil). No charity trustee received payment for professional or other services supplied to the charity (2025: £nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 436 (2025:428).

10 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, retired 19 November 2025) was also a Director of TLC Lotteries Limited as was Mrs V Rowles (Interim Director of Fundraising) (resigned 16 May 2025). Mrs H Bradshaw (Trustee) was appointed as a Director of TLC Lotteries Limited on 28 November 2025 as was Ms S Eaves (Associate Director of Fundraising) on 18 December 2025.

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, retired 19 November 2025) was also a Director of Worcestershire Hospices Lottery Limited. Mrs V Rowles (Interim Director of fundraising) was also a Director (resigned 6 May 2025). Mrs H Bradshaw (Trustee) was appointed as a Director of Worcestershire Hospices Lottery Limited on 8 December 2025.

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) was a Childlife Trustee (resigned 19 May 2025). Mr C Ferris (Senior Officer) was appointed as a Childlife Trustee on 23 October 2025.

Transactions in the financial period:

	2026	2025
	£000	£000
TLC Lotteries Limited		
Balance brought forward	99	93
Share of profits	118	64
Administration expenses recharge	8	14
Gift aid received	(115)	(58)
Repayment of administration expenses	(8)	(14)
	102	99
Worcestershire Hospices Lottery Limited		
Balance brought forward	36	9
Share of profits	18	43
Gift aid received	(35)	(16)
	19	36
Childlife		
Balance brought forward	1	45
Share of profits	90	56
Gift aid received	(160)	(100)
	(69)	1

10 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:

	2026	2025
	£000	£000
Amount owed to subsidiary undertaking	(68)	(64)
Gift aid commission to subsidiary	(77)	(62)
Gift aid distributions received from subsidiary	123	106

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

	2026	2025
	£000	£000
Amounts invoiced to TLC Lotteries Limited in respect of rent of office space and related charges	8	14

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Acorns Children's Hospice Trading Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was nil (2025: £nil).

12 Tangible fixed assets

The group and charity	Freehold property	Short leasehold property	Motor vehicles	Fixtures, fittings and equipment	**Total**
Cost	£000	£000	£000	£000	**£000**
At the start of the period	14,594	2,710	125	1,629	**19,058**
Additions in period	489	494	–	377	**1,360**
DHSC funded assets	1,076	–	–	78	**1,154**
Reclassification	–	13	–	(13)	**–**
Disposals in period	–	(42)	–	(46)	**(88)**
At the end of the period	16,159	3,175	125	2,025	**21,484**
Depreciation					
At the start of the period	4,226	1,055	64	946	**6,291**
Charge for the period	236	504	24	103	**867**
DHSC funded assets	6	–	–	75	**81**
Eliminated on disposal	–	(17)	–	(42)	**(59)**
At the end of the period	4,468	1,542	88	1,082	**7,180**
Net book value					
At the end of the period	11,691	1,633	37	943	**14,304**
At the start of the period	10,368	1,655	61	683	12,767

12 Tangible fixed assets (continued)

Included within freehold land and buildings is land donated during the 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 land is not depreciated.

The gross amount of depreciable assets included within freehold land and buildings is £13,795,000 (2025: £12,444,000)

DHSC funded assets (see note 3) are those funded by the Department of Health and Social Security as part of the total £100 million capital funding allocated to hospices, across the two financial years 2024-25 and 2025-26.

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

Use of assets:

	The group and charity	
	2026	2025
	£000	£000
Care services	**12,634**	11,051
Other, including shops, warehouse and administration	**1,670**	1,716
Net book value	**14,304**	12,767

13 Intangible fixed assets

The group and charity	Application Software Enhancements	**Total**
Cost	£000	**£000**
At the start of the period	271	**271**
Additions in period	261	**261**
DHSC funded assets	160	**160**
Eliminated on disposal	(12)	**(12)**
At the end of the period	680	**680**
Amortisation		
At the start of the period	178	**178**
Charge for the period	31	**31**
DHSC funded assets	9	**9**
Eliminated on disposal	(12)	**(12)**
At the end of the period	206	**206**
Net book value		
At the end of the period	474	**474**
At the start of the period	93	**93**

14 Listed investments

	The group and charity	
	2026	2025
	£000	£000
Fair value at the start of the period	**4,031**	4,034
Net gain / (loss) on change in fair value	**585**	(3)
Fair value at the end of the year	**4,616**	4,031

Investments comprise:

	The group and charity	
	2026	2025
	£000	£000
Barclays Charity Fund	**4,616**	4,031
	4,616	4,031

15 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Acorns Children's Hospice Trading Limited, a company registered in England. The company number is 2642603. The registered office address is Acorns House, 103 Oak Tree Lane, Selly Oak, Birmingham, B29 6HZ.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line-by-line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees M T Hopton (Chair, retired 19 November 2025), P Dison (retired 13 May 2025) and C Maddox (Chair) are also directors of the subsidiary, as is G Pettit (Associate Director of Retail).

A summary of the results of the subsidiary is shown below:

	2026	2025
	£000	£000
Turnover	**199**	**210**
Cost of sales	**(67)**	**(71)**
Gross profit	**132**	139
Administrative expenses	**(27)**	(16)
Profit on ordinary activities before and taxation	**105**	123
Profit for the financial year	**105**	123
Retained earnings		
Total retained earnings brought forward	**123**	106
Profit for the financial year	**105**	123
Distribution under Gift Aid to parent charity	**(123)**	(106)
Total retained earnings carried forward	**105**	123
The aggregate of the assets, liabilities and reserves was:		
Assets	**133**	138
Liabilities	**(28)**	(15)
Reserves	**105**	123

Amounts owed to/from the parent undertaking are shown in note 21/19.

16 Associated undertakings

Investments in associated companies comprise the following:

	The group		The charity	
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Investment in joint ventures	**131**	**214**	**–**	**–**
	131	214	**–**	–

Joint ventures	Proportion of issued ordinary shares held
	%
TLC Lotteries Limited (held indirectly) Registered Office – 48–62 Woodville Road, Harborne, Birmingham, B17 9AT	**33.3**
Worcestershire Hospices Lottery Limited (held indirectly Registered Office – Primrose Hospice, St Godwalds Road, Bromsgrove, Worcestershire, B60 3BW	**33.3**

	Proportion of voting rights held
	%
Childlife (company limited by guarantee) Westmead House, Westmead, Farnborough, Hampshire, GU14 7LP	**25.0**

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. Worcestershire Hospices Lottery Limited financial period end is 31 March.

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.

16 Associated Undertakings (continued)

Group

	Share of net assets	Share of net assets
	2,026	2,025
	£000	£000
At beginning of financial period	214	225
TLC Lotteries Limited	119	64
Worcestershire Hospices Lottery Limited	18	43
Childlife	90	56
	227	**163**
Amounts withdrawn as gift aid		
TLC Lotteries Limited	115	58
Worcestershire Hospices Lottery Limited	35	16
Childlife	160	100
	310	**174**
At end of financial period	**131**	**214**

Represented by:

	TLC Lotteries Limited	Worcestershire Hospices Lottery Limited	Childlife	Total
	£000	£000	£000	**£000**
Share of gross assets	99	55	193	**347**
Share of gross liabilities	(17)	(32)	(167)	**(216)**
	82	**23**	**26**	**131**

17 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2026	2025
	£000	£000
Gross income	**26,405**	21,846
Result for the year	**2,416**	(1,057)

18 Stock

	The group		The charity	
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Bought in goods for resale	**12**	**17**	**–**	**–**
	12	17	**–**	–

19 Debtors

	The group		The charity	
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Income tax recoverable	**862**	776	**862**	776
Other debtors	**677**	562	**677**	562
Amounts due from group undertakings	**–**	–	**52**	135
Prepayments and accrued income	**5,433**	3,515	**5,433**	3,515
	6,972	4,853	**7,024**	4,988

20 Investments

	The group		The charity	
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Investment Property	**–**	400	**–**	400
Blackrock Money Market Fund	**101**	1,803	**101**	1,803
	101	2,203	**101**	2,203

The investment property was donated then independently valued by Andrew Thompson BSc FRICS during the previous year. It was held as a current asset as was sold during the year ended 4th April 2026.

The Money Market Fund is a 48 hour call account.

21 Creditors: amounts falling due within one year

	The group		The charity	
		Restated		Restated
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Trade creditors	**808**	263	**807**	263
Taxation and social security	**390**	311	**390**	311
Amounts due to associated undertakings	**–**	–	**68**	64
Other creditors	**510**	352	**483**	337
Deferred income (note 23)	**32**	261	**32**	261
	1,740	1,187	**1,780**	1,236

22 Provisions for liabilities

Provisions for liabilities comprises 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.

	The group		The charity	
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Balance at the beginning of the year	**746**	856	**746**	856
Amount released in the year	**(220)**	(110)	**(220)**	(110)
Increase in provision in the year	**111**	–	**111**	–
Balance at the end of the year	**637**	746	**637**	746

23 Deferred income

Deferred income comprises 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.

	The group and charity		The charity	
		Restated		Restated
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Balance at the beginning of the year	**261**	261	**261**	261
Amount released to income in the year	**(3,554)**	(3,659)	**(3,554)**	(3,659)
Amount deferred in the year	**3,325**	3,659	**3,325**	3,659
Balance at the end of the year	**32**	261	**32**	261

24 Pension scheme

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 £1,146,000 (2025: £1,055,000). At 4 April 2026, the group owed employee and employer contributions of £163,000 (2025: £60,000). Amounts payable during the next twelve months are anticipated to be at similar levels.

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

25a Analysis of group net assets between funds (current year)

	General unrestricted £000	Designated funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets	–	12,768	1,536	**14,304**
Intangible fixed assets	–	474	–	**474**
Fixed asset investments	4,616	131	–	**4,747**
Net current assets	3,593	2,636	908	**7,137**
Provisions	(637)	–	–	**(637)**
Net assets at 4 April 2026	**7,572**	**16,009**	**2,444**	**26,025**

25b Analysis of group net assets between funds (prior year)

	General unrestricted £000	Designated funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets	–	12,482	285	**12,767**
Intangible fixed assets	–	93	–	**93**
Fixed asset investments	4,031	214	–	**4,245**
Net current assets	3,004	3,385	756	**7,145**
Provisions	(746)	–	–	**(746)**
Net assets at 4 April 2025	**6,289**	**16,174**	**1,041**	**23,504**

26a Movements in funds (current year)

	At 5 April 2025 £000	Income & gains £000	Expenditure & losses £000	Transfers £000	At 4 April 2026 £000
Restricted income funds:					
Acorns Worcester	738	1,266	(1,327)	–	**677**
Worcester Children's Hospice Grant	–	718	(718)	–	**–**
Acorns Walsall	18	641	(428)	–	**231**
Walsall Children's Hospice Grant	–	718	(718)	–	**–**
Acorns Selly Oak	–	156	(156)	–	**–**
Selly Oak Children's Hospice Grant	–	718	(718)	–	**–**
Total restricted income funds	756	4,217	(4,065)	–	**908**
Restricted capital funds:					
Acorns Walsall	15	51	–	(41)	**25**
Acorns Worcester	3	12	–	(6)	**9**
Acorns Selly Oak	2	138	–	(126)	**14**
DHSC Capital Grant	265	1,314	(91)	–	**1,488**
Total restricted capital funds	285	1,515	(91)	(173)	**1,536**
Unrestricted funds:					
Designated funds:					
Designated fixed asset fund	13,074	–	917	(618)	**13,373**
Designated capital projects fund	3,100	–	–	(464)	**2,636**
Total designated funds	16,174	–	917	(1,082)	**16,009**
General funds	6,289	21,684	(21,656)	1,255	**7,572**
Total unrestricted funds	22,463	21,684	(20,739)	173	**23,581**
Total funds	23,504	27,416	(24,895)	–	**26,025**

26b Movements in funds (prior year)

	At 5 April 2025	Income & gains	Expenditure & losses	Transfers	At 4 April 2025
	£000	£000	£000	£000	£000
Restricted income funds:					
Acorns Worcester	9	1,097	(368)	–	738
Worcester Children's Hospice Grant	–	699	(699)	–	–
Acorns Walsall	28	277	(287)	–	18
Walsall Children's Hospice Grant	–	699	(699)	–	–
Acorns Selly Oak	349	784	(1,133)	–	–
Selly Oak Children's Hospice Grant	32	699	(731)	–	–
Other projects	–	2	(2)	–	–
Total restricted income funds	418	4,257	(3,919)	–	756
Restricted capital funds:					
Acorns Walsall	10	55	–	(50)	15
Acorns Worcester	26	21	–	(44)	3
Acorns Selly Oak	–	10	–	(8)	2
DHSC Capital Grant	–	302	(37)	–	265
Total restricted capital funds	36	388	(37)	(102)	285
Unrestricted funds:					
Designated funds:					
Designated fixed asset fund	12,530	–	(616)	1,160	13,074
Designated capital projects fund	3,600	–	–	(500)	3,100
Total designated funds	16,130	–	(616)	660	16,174
General funds	7,854	17,574	(18,581)	(558)	6,289
Total unrestricted funds	23,984	17,574	(19,197)	102	22,463
Total funds	24,438	22,219	(23,153)	–	23,504

26b Purposes of 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.

26b Purposes of 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.

DHSC Capital Grant - funds received from Department of Health and Social Security for care assets.

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.

Purposes of designated funds

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

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.

27 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Land and buildings		Plant and machinery	
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Less than one year	**1,007**	603	**26**	23
One to five years	**2,016**	466	**75**	5
One to five years	**214**	-	**19**	-
	3,237	1,069	**120**	28

27 Operating lease commitments payable as a lessee (continued)

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2026	Restated 2025	**2026**	Restated 2025
	£	£	**£**	£
Less than one year	**1,007**	603	**26**	23
Less than one year	**2,016**	466	**75**	5
One to five years	**214**	-	**19**	-
	3,237	1,069	**120**	28

28 Capital commitments

At the balance sheet date, the group had committed to £nil (2025: £nil) in respect of Capital Commitments.

29 Contingent assets or liabilities

As of 4 April 2026 (5 April 2025) the Charity had been notified of a number of residuary legacies, the value of which is uncertain. As at 18 August 2026 no further information had been received that would enable an accurate valuation (2 August 2025: £249,790). As a result, these legacies have not been accrued for within the 4 April 2026 financial statements (5 April 2025: £Nil).

30 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.