

Company no. 01494909
Charity no. 280093

Prospect Hospice Limited
Report and Audited Financial Statements
31 March 2025

Prospect Hospice Limited

Reference and administrative details

For the year ended 31 March 2025

Company number	01494909
Charity number	280093
Registered office and operational address	Moormead Road Wroughton Swindon Wiltshire SN4 9BY
Patrons	Jonathan Wilkes Helen Browning Sarah Troughton
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Angela Aitkenhead Appointed 1 May 2025 Nathan Bishop Eugen Bradean Appointed 1 October 2024; resigned 9 January 2025 Peter Cadman David Cain Appointed 7 November 2024 Philomena Creffield Resigned 10 March 2025 Helen Guarnieri Appointed 1 May 2025 Kevin Howard Resigned 30 June 2024 Helen Jones Sarah Jones Resigned 30 June 2025 Samantha Ludkin Appointed 16 June 2024 Julie-Anne Marshman Sadie Panter Resigned 4 March 2025 Ian Price Resigned 9 January 2025 Carys Ritchie Nigel Sully Resigned 12 January 2025 Clare Tibbitts Appointed 5 June 2025
Chief executive officer	Jeremy Lune
Executive team	Helen Baxter Director of Finance Carolyn Bell Director of Patient Services Jo Hollingsworth Director of People Charlotte Forrest Director of Income Generation
Medical director	Sheila Popert

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Bankers	HSBC plc Unit 6 The Lock Canal Walk Swindon SN1 1LD
Investment managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Prospect Hospice Limited

Report of the trustees

For the year ended 31 March 2025

The trustees present their annual report together with the audited financial statements of Prospect Hospice Limited for the year 1 April 2024 to 31 March 2025. This report incorporates the strategic report as required by company law.

Objectives and activities

a. POLICIES AND OBJECTIVES

The charity's objects are restricted to the provision of specialist end-of-life care, including physical, psychological, social and spiritual care and otherwise in such ways as the charity shall from time to time think fit and, in particular (but without prejudice to the generality of such objects):

- a) by establishing, maintaining and conducting facilities in England for the reception and care of persons who require end-of-life care, whether provided in such facilities or in their own home;
- b) by conducting or promoting or encouraging research into the care and treatment of persons suffering from any such illness, infirmity, disability or disease and particularly into the care and treatment of persons suffering from cancer or any terminal illness and disseminating the results thereof to the public; and
- c) by promoting, encouraging or assisting in the teaching or training of doctors, nurses, physiotherapists and other persons engaged in any branch of medicine, surgery, nursing or allied services, and in the teaching or training of students in any branch of medicine, surgery, nursing or allied services.

Prospect Hospice's vision is a community where death is no longer a taboo and everyone lives and dies well. The charity's mission is to work with and through others using our skills and expertise so that people have choice and support at the end of their life.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

Prospect Hospice's principal activities are to provide timely and responsive care and support for people living with and dying from advanced and progressive life-limiting illness. This is achieved through:

- An in-patient facility providing care to those patients with more complex needs at the very end of life which the hospice operates on a flexible model based on patient demand;
- Out-patient day therapy services including a range of complementary and creative therapies;
- Prospect@Home service, providing practical support and nursing care for up to 24 hours a day, in patients' own homes;
- Community based clinical nurse service providing advice, support and information for patients at home and in local care homes;
- Consultant-led medical team providing expertise across the range of hospice services and locations including home visiting;
- Rehabilitation services including physiotherapy, occupational therapy and dietary advice;
- Practical and psycho-social support services to patients, families, and carers provided through a family support team. Their work extends to providing support for carers and people who have been recently bereaved;
- Spiritual support service for patients and their families;
- Care services delivered by a multi-professional team for patients living with lymphoedema; and
- Education and training on end-of-life care and support for health and social care professionals.

Our Hospice Mission

We will work with and through others using our skills and expertise so that people have choice and support at the end of their life.

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Report of the trustees

For the year ended 31 March 2025

Overview of the year

The awareness of the importance of our work was again highlighted nationally in January when we had the honour of welcoming our President, Queen Camilla for a visit to celebrate the 45th Anniversary of the hospice by unveiling a plaque at the Evans Education Centre in honour of our founder Rev Derryck Evans. Her Majesty spent time with patients, staff and volunteers and stated that "Every time I come here, I come away feeling so impressed and feeling so lucky actually that Wiltshire has something like this to look after people who are at the end of their life."

Further to this we continue to share our knowledge and expertise with other organisations as we build on our collaborative approach, in line with the national recognition that this is key to the future of effective and affordable healthcare for all. An inspiring example of this has been our work with the Motor Neurone Disease Association and Great Western Hospital to manage choking for patients living with Motor Neurone Disease which is one of the most distressing and life-threatening symptoms. This has now evolved into a pioneering research project with the University of Oxford which will enable other care providers to deliver improved support for Motor Neurone Disease patients.

There is no denying that 2024/25 has been a year of challenge for our hospice, as it has been for the entire UK hospice sector. It has however, also been a year of change and opportunity as the organisation has adapted to those challenges.

The main source of those challenges is a commissioning funding model that was identified in January 2024 as "not fit for purpose" by the All Party Parliamentary Group for Hospice and End of Life Care. The current "postcode lottery" funding does not reflect the rapidly increasing need for hospice services and these financial pressures were added to in the Autumn 2024 budget where the changes to National Insurance and National Living Wage will be adding an additional £0.3m to the ongoing annual operating costs of the hospice from April 2025.

Over the last 12 months we have done all we can to raise awareness of these issues and campaign for greater support at a national and local level. In particular we have played an active role in supporting Hospice UK's campaign to address these issues, which resulted in our hospice being featured in articles in six national newspapers this year. In addition, our work was also recognised by BBC Radio 5 Live who hosted a live 3-hour broadcast at the hospice.

On a local level this campaign has been hugely supported by our local community who have raised awareness by writing to their MPs as well as providing incredible levels of practical, financial and voluntary support. This has enabled the delivery of the highest standards of personalised palliative and end of life care to 2,288 people in our community across our full range of hospice services.

We were also grateful to the Bath & NE Somerset, Swindon and Wiltshire (BSW) Integrated Care Board for making a one-off grant of £350k in March 2025 in order to support our commitment to focus on strategic development of integrated community services. In an environment where the Integrated Care Board itself is under significant financial pressure, this has been a recognition of the value that the hospice adds to the healthcare system.

Other highlights of the year included:

- Mel Buckley, a senior member of our Community Nurse Specialist team, being awarded the prestigious title of Queen's Nurse, by the Queen's Nursing Institute;
- The establishment of a second Bereavement Café in Royal Wootton Bassett in collaboration with Carer Support Wiltshire;

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For the year ended 31 March 2025

- Investing in organisational and individual development including a comprehensive lunch and learn programme;
- Entering into an agreement with the Brandon Trust to develop a series of learning solutions for their staff who support people with learning disabilities and autism;
- Delivering 'Bluebell ASPIRE', our Health Care Assistant development programme;
- Running another successful volunteer conference, aimed at rewarding and recognising the efforts of all our volunteers;
- The opening of two new specialist shops in Swindon; our first dedicated Furniture shop and a revamped and relocated specialist Books and Media shop;
- The creation of a charity retail training programme which has been delivered to our shop teams as well as being outsourced to Weston Hospice care; and
- Our annual Starlight Walk event breaking previous records for both participants (760) and income of £137k.

Achievements and performance

During the year there were 2,288 people referred to our hospice services (up 6.6% on last year). There were 166 admissions to our inpatient unit which cares for those with more complex needs, with an average length of stay of 12 days. Our specialist community teams including our Clinical Nurse Specialists, Prospect at Home, Therapy, Lymphoedema and family support cared for people either in their own homes or as outpatients at the hospice. In total, our patient services teams made 19,776 consultations with patients, their families and with other healthcare professionals. Of the total consultations made 3,627 were face to face visits in patients homes or at the hospice and 16,050 were carried out remotely.

We also reached people needing our specialist support through our therapy led wellbeing groups which included our Bereavement Cafes and Dementia Group meetings in collaboration with Swindon Borough Council and Carers Support Wiltshire, and also our own specialist Breathing Well Cafes. There were over 840 attendances across these groups during the year.

The quality of the care we provide to our patients and their loved ones is at the heart of what we do. During the year we were very proud of our clinical teams achievements which included the award of 5 more certificates of excellence in recognition of consistently achieving outstanding patient feedback during the year. Following a patient and family consultation event we developed Our Commitment to Care pledge to align with the national standards for the fundamentals of care.

We know how much our patients and their loved ones value our care because they take the time to tell us just how much the hospice support has meant to them, such as Clint, Les and Pippa who all had the following to say about our care:-

Clint

"I remember it was so sunny on Angie's last day. She was in the garden for hours, wrapped in blankets, just looking at the sky. She loved being outside. I have a picture of the sunlight just beaming on her face. Then one of the nurses told us, it won't be long now. They did everything to make sure Angie was comfortable. We put her favourite music on, then the nurses dimmed the lights and stayed with us through the night".

Les

"Everyone at Prospect Hospice has done such a great job, and they're just not recognised for the amazing job they do. The atmosphere here is so calm, so reassuring. I don't feel scared. The feeling of coming here was, that we'll do whatever we can for you, and I felt that from day one."

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Pippa

“The team from Prospect Hospice were like a light in the darkness. Tom wanted us to spend our last precious moments together as a family, and thanks to Prospect Hospice, we could.”

We are also extremely pleased with the work undertaken this year in line with our strategic goal to use our expertise to educate and influence the delivery of excellence in end of life care. Some of our achievements are outlined below:-

Motor Neurone Disease service

Our first year annual report was shared with the Integrated Care Board and the Motor Neurone Disease Association in the autumn and this was very well evaluated by the commissioners. There has also been excellent feedback from patients and families who have said how much they appreciate and value this service. Following patient consultation, we developed six patient-centred care quality indicators which is a new approach to service evaluation for the commissioners.

The service co-ordinator has created some innovative guidance about choking management that has been shared at national conferences and adopted nationally. In collaboration with Great Western Hospitals, we have secured research funding for a 3-year project and this was launched at the end of the year with other hospices signing up to participate - an amazing achievement!

Hospice UK Frailty project

We completed this in September working with the community hospital at home team. A workshop was held in June for virtual ward staff across Bath & North East Somerset, Swindon and Wiltshire (BSW) area, sharing learning and tools to support conversations with patients and their families. This marked the start of a frailty and palliative care champions group across the Integrated Care Board. Applying learning from this project we secured a 6 month project extension with Hospice UK funding to provide hospice input to the Great Western Hospitals for people with frailty and heart failure service and frailty and the interstitial lung disease clinic, working with the speciality consultants and their teams.

Spiritual care

This has been an area of growth and development with teaching sessions for staff, and the introduction of a new value life questionnaire to aid patient assessment. The spiritual care co-ordinator has helped us make great connections with faith and non-faith leaders in Swindon and was an invited speaker at their AGM. We subsequently hosted an evening meeting at the hospice to exchange ideas about spiritual care needs at the end of life.

Collaboration and influencing within the wider healthcare system

We continue to play an active role as part of the BSW End of Life (EOL) Alliance - a consortium of local health and social care providers seeking to transform how community services are sustainably delivered across the BSW region. Within this group, the 3-hospices are working closely together, including sharing data and outcome measures. We continue to look actively at opportunities to collaborate with four other local hospices.

Advancing nursing practice

Following our senior nursing engagement with the new lantern model of nursing which was developed through St Christopher's Hospice in London and the subsequent advancing nursing practice course 2 senior nurses were selected to attend, our nursing leaders have been focusing on steps to advance nursing practice at the hospice. This has included:

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- Working clinically alongside Inpatient Unit staff to enhance their knowledge skills and confidence with feedback from staff being extremely positive;
- Developed new senior registered nursing roles with bespoke development plans;
- Introducing Single Nurse Administration of Medication, enhancing clinical responsibility and efficiency;
- Encouraging nurses to lead and present audits at our Quality Improvement Group, promoting accountability and professional leadership;
- Increasing opportunities for debriefing and reflective practice, fostering a culture of shared learning and emotional support; and
- We celebrated our new Advanced Nurse Practitioner position after our trainee qualified at the beginning of 2024. This role has had great impact in the community and IPU, supporting clinical research and delivering education. This position is a real role model for other nurses.

Sharing our excellence across the hospice sector

Our hospice was selected to share examples of their innovative work at the annual Hospice UK conference. A record 5 posters were selected to be presented on subject areas such as frailty, reflect and restore supervision, virtual reality headsets, choking management, patient and family led key performance indicators for the Motor Neurone Disease co-ordinator service. Our Advanced Nurse Practitioner helped to facilitate a large workshop session around frailty needs and innovation at end of life.

Investing in our people

We undertook a review of our ASPIRE (Authentic, Specialist, Person Centred, Inclusive, Resilient, Excellent) values this year. All staff contributed to this review and found these values remain relevant. Staff remain committed to the values and have all recently contributed to developing an agreed set of behaviours. Our Staff Forum will develop these further on behalf of all staff.

The Staff Forum continues to be one of many ways in which staff and volunteers have a voice. Another route that staff voices are heard is through Freedom to Speak Up and we appointed two new Freedom to Speak Up Guardians this year.

The Staff Forum have also been instrumental this year in developing the themes for our Your Prospect days which form part of our organisation and culture development programme. Members of the Forum also played a significant role in the delivery of these days exploring subjects such as accountability, radical candour, psychological safety, Freedom to Speak Up, change management and just culture.

We gained valuable insights from our short staff survey earlier in the year on what they like about working for the hospice and also what they consider to be some key challenges and areas for future consideration. This feedback has been taken onboard by the Executive Team and the Board and will be incorporated into future plans.

Our People also include our fantastic team of approximately 700 volunteers. Our volunteers are absolutely essential to the delivery of our hospice care. We continue to enjoy remarkable loyalty from our existing volunteers and increased interest from local community members in joining us as volunteers, somewhat bucking the trend for the sector.

This year we re-established a team of Prospect at Home volunteers, providing emotional and practical support to patients and their families in their own homes. Volunteers also continue to support the inpatient unit, therapy and family support teams.

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We have been able to further extend our reach in the community with two cohorts of volunteers now facilitating bereavement cafes in the towns of Marlborough and Royal Wootton Bassett, providing support and signposting to members of those communities who have experienced the death of someone close to them.

Our volunteers had the opportunity to attend sessions to consider the issues associated with assisted dying, as part of a wider organisational commitment to educate and prepare the entire workforce for any potential future legislation in this area.

This year we had 649 volunteer enquiries against last year at 471, an increase of 38%. We also continue to work with community partners to promote volunteering. Two notable partnerships that were strengthened over the course of the year were:

- Building Bridges - the Community First initiative that helps individuals to build independence and overcome barriers to employment and education. The organisation works with a large number of neurodiverse people and the meeting helped to increase our awareness of how we could support people into volunteering, whilst developing the existing collaboration further; and
- Youth Justice Team - where we were approached by them to see if we could support with shorter volunteering opportunities, and we worked in partnership to develop a small number of safely managed, mutually beneficial placements.

We were thrilled that we were able to run another successful volunteer conference this year, aimed at rewarding and recognising the efforts of all our volunteers. We are grateful for the continued support from Nationwide Building Society, for once again supporting this event with provision of the venue free of charge.

Learning and development

Despite the ongoing financial restraints experienced by the hospice sector, we renewed our efforts to use our training budget as strategically and effectively as possible. As well as upholding the highest standards of clinical competence among our staff, we focused on upskilling staff in a range of IT skills and soft skills such as communication, time management, influencing and negotiating skills, all developed and delivered by the in-house team. We have continued to develop a learning culture, investing in organisational and individual development.

We have delivered a comprehensive lunch and learn programme for our staff, other health-care professionals and indeed members of the public providing learning opportunities on a wide range of topics such as Non-invasive ventilation (NIV), boundaries, and nutrition to reduce stress. We continued our programme to develop our leaders, embedding a culture of action learning and subject specific modules.

In all our work we provide additional support for staff to achieve their training aims, particularly relating to needs arising from English being a second language, low levels of literacy, disability or lack of IT proficiency.

As part of our wider community engagement with other local community organisations we are extremely proud of the specialist training we have been able to deliver for them this year including:

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- Entering into an agreement with the Brandon Trust to develop a series of learning solutions for their staff who support people with learning disabilities and autism. The Trust sought training and support on having bereavement conversations with their clients, along with training on how to support a client who is themselves approaching end of life. A particular strength of the approach was the element of co-creation with the Brandon Trust, with staff feeding back that they particularly valued the bespoke element of the package;
- Delivering 'Bluebell ASPIRE', our Health Care Assistant development programme, to two of our own cohorts and have received interest in purchasing the package from a number of other hospices;
- We have run school visits for students considering a career in healthcare, plus professional insight visits, aimed at prospective and existing healthcare workers. Attendees so far have included care home owners, student nurses, and representatives from Healthwatch Swindon;
- As part of a reciprocal arrangement with New College Swindon our matron, has delivered three sessions to level 3 nursing students, in which she discussed the Lantern Model. In return for input into the course curriculum, we received access to the college's virtual learning environment and reduced fees on core competency courses; and
- We continue to deliver a day-long overview of EOL care as part of GWH's twice-yearly Excel programme, giving us an opportunity to showcase our services and helping to maintain our position at the forefront of local EOL care provision. We know from these sessions that many healthcare providers are unaware of the extent of our offer to patients and find their preconceptions of hospice-care significantly challenged. In some cases, these events are guiding local healthcare professionals to consider the hospice as a career change.

Equity, Diversity and Inclusion (EDI)

Our commitment to working inclusively is evident in the wide range of activities undertaken by our clinical, learning and volunteering teams, and we continue to develop our workforce knowledge of diverse needs. In the last year we have delivered a range of lunch and learn sessions on topics such as Paganism, autism and historical LGBTQ experiences of health care.

We are taking steps to fill the gaps in our patient EDI data and have established new recording methods to ensure a more consistent approach to data capture. We continually review and reflect upon our efforts to create a more inclusive environment for staff, volunteers and patients alike, and have recently reviewed the role of our EDI champions group. It was felt that their work could be better integrated into each team in the organisation, rather than sitting slightly separately. Going forward, we will have a champion in each team, charged with promoting issues of diversity and ensuring they are considered routinely in team meetings etc.

Financial performance

This has been another challenging year for the hospice given the continued pressure from macro-economic cost pressures, with costs continuing to rise at a faster rate than income growth. As mentioned earlier the lack of a sustainable statutory funding model for hospices has continued to have a significant impact on the hospice, relying even more on the charity's reserves to bridge the gap between costs and income.

In order to retain our service provision and to bridge the gap between costs and income for the year, the Trustees had approved the use of £1m of our reserves. The Trustees were mindful that this depletion of reserves cannot continue indefinitely.

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Led by the fantastic response from the local community, and as a result of the continued campaigning at local and national level regarding hospice funding, and the one-off grants made by the Integrated Care Board and the Department of Health & Social Care, the hospice finished the year with an actual deficit of £0.3m. However, as outlined above, the funding model for hospices is broken and as a result there will be a high level of financial uncertainty until this changes.

Income generation

It is only through the generous financial support of the community that the hospice can continue to deliver its outstanding care for the people of Swindon and North East Wiltshire. This year has seen our community come out in force to support the hospice, contributing £5.9m of our total annual income representing approximately 70% of the total income for the year.

Some of the many ways our community have supported our fundraising campaigns this year included:

- Contributing to our Save Our Hospice emergency appeal, raising a magnificent £180k;
- Taking part and supporting our biggest ever Starlight Walk, raising a phenomenal £137k (£100k higher than target);
- Donating to our Christmas Cash appeal, another fantastic £85k raised;
- Becoming a regular giver, increasing the number of regular giving donors by 67%, and income by £76k;
- Signing up to our hospice lottery, which at an annual income of £740k is our 2nd biggest income stream;
- Leaving the hospice gifts in their wills, raising £329k; and
- Donating and buying goods from our 18 charity shops including our new dedicated furniture shop and our revamped and relocated specialist books and media shop. Retail is our biggest income stream raising £2.5m this year.

Our community also includes our local businesses, and this year has seen increased support from them. This included new relationships with The CFO Centre, Gardener Leader and Swindon Bus Company as well as continued support from long standing partners such as Imagine Cruising, Nationwide and Arval.

We are proud of, and value, these relationships and the support they provide to the hospice both financial and non-financial including from their fantastic employees who raise funds and volunteer for the hospice, all of which enables the hospice to continue to provide its much needed care.

Whilst it was a challenging year for our legacy income stream, this was mitigated this year by higher income from our core fundraising activities. In addition, the legacy pipeline at the end of the year stands at £920k.

This has been a year of transformation for our income generation team, and we are very proud of their incredible achievements during a period of uncertainty and change, which they have embraced and have gone above and beyond to deliver the hospice's best year ever. They have been instrumental in setting up new ways of working and new processes to support the delivery of the new 5 year strategy.

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Environmental impact

We continue to become a more environmentally sustainable operation, both at our hospice site and within our retail estate. During the year we continued the replacement of all of our lighting with LED lighting and we started the planning work for the longer term, looking at more energy efficient solutions for the hospice. The electric vans within our retail estate have been in place for two years and we continue to see the benefit of these.

Plans for future periods

In recognition of a rapidly changing environment, the decision was made to create a new 5-Year organisational strategy from 2024 that focuses on innovation and collaboration, while not losing sight of Prospect Hospice's Vision Mission and ASPIRE values or the agreed long-term goals which are to:

- Secure the continuity of the Prospect Hospice Charity for our community for generations to come;
- Deliver bespoke specialist care that supports dignity and choice;
- Use our expertise to influence the delivery of excellence in end of life care; and
- Take pride in being a great place to work and thrive.

The strategy was developed with input from both internal and external stakeholders and identified six key strategic priorities that will enable Prospect to achieve its long-term goals:

- Transforming our services;
- Financial sustainability and diversification;
- Empowered, performance-oriented teams;
- Enhancing our brand and reputation;
- Embracing digital; and
- Expert research and education.

Within this framework, specific strategies have been developed for Income Generation and Patient Care and Support Services, some key highlights from these strategies are outlined below. During 25/26 we are also committed to developing similar pieces of work for the areas of People and IT / Digital. This will ensure that all hospice staff will be utilising the best of their unique skills and experience to achieve common goals as we look to the future.

Patient care and support

Over the next three years our plans to support end of life specialist care include:

- Strengthening our contribution as a specialist palliative care provider including Inpatient Care, Community advice and support and In-reach to the hospital. We will seek to expand our reach, efficiency and measuring and improving effectiveness whilst maintaining the quality of our care;
- Contributing to innovations/developments in care that support system(s) reach and impact including redressing loneliness, carers support, increased support for people who face loss, work with excluded communities, community led/ facilitated initiatives, redressing inequalities, and filling gaps in current offer; and
- Position the hospice as a local leader of End of Life Clinical education provision and Research activity, maximising our expertise and building confidence and capability in others who are working in hospice and palliative care.

People

A new people strategy will be developed in 2025/26 to support the delivery of the hospice strategy for the next five years. This will ensure that the hospice is recruiting, developing and retaining talented staff, with the skills and expertise it needs to deliver its strategic objectives.

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We plan to develop and embed a coaching framework across the organisation, upskilling managers in listening and questioning techniques and adopting the person-centred approach that is key to a coaching management style and making formal coaching sessions available to all staff to support performance and development.

We will be further enhancing our volunteering opportunities, introducing new roles to support the income generation strategy.

We will once again be running our annual volunteer conference building on the success of previous conferences .

Financial sustainability

We expect 2025/26 to be an equally challenging year financially for our hospice and hospices throughout the country as we aim to maintain our patient care and support services. Trustees have approved a deficit budget of £0.9m for the year.

Campaigning will continue in 2025/26 at local and national level for a fairer statutory funding model for hospices and to engage more with our wider community on how they can support the hospice. Alongside this we will continue to work alongside and collaborate with other hospices and healthcare partners on removing duplication and inefficiencies within the wider system for the benefit of all of those needing end of life care.

We are expecting a step change in 2025/26 following the implementation of our new income generation five-year strategy, which aims to grow annual income by 50% over the life of the strategy. To achieve our income growth ambitions and marketing capabilities we have undertaken a significant restructure of the income generation teams, with new leadership roles being recruited across fundraising, retail, marketing and communications.

Some of the key focus areas for income generation growth in the year ahead include:

- Continuing to engage, retain and grow our committed givers to increase sustainable income for the hospice;
- Expanding on the work undertaken this year with our corporate partnerships so that we can continue to grow the opportunities for support for the hospice;
- Continued growth of our hospice lottery and next year will see us increasing investment in and diversifying our acquisition channels with the aim to grow our lottery income to more than £1m by 2030;
- Grow legacy income from £0.3m in 2024/25 to £0.9m in 2025/26; and
- Maximise the opportunities within our retail portfolio and continuing to grow our retail estate with the addition of another furniture shop.

In 2025/26 we will implement the new Digital/IT strategy which is currently being developed. Over time this will be a key enabler to not only driving efficiency and cost saving opportunities but will also be critical for our income generation growth plans.

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Financial review

a. GOING CONCERN

The trustees recognise that going concern continues to be a material uncertainty for the hospice over the longer term as it continues to navigate the path back to a recurring state of financial sustainability, one of the key objectives of the current hospice 5 year strategy which commenced in 23/24 and has been updated with a new income generation strategy and new detailed operating plan during 24/25.

The trustees are fully aware of their responsibility for the financial stewardship of the hospice and will continue to review this throughout the 25/26 financial year.

Having taken into account the financial results for 24/25, together with the budget set for 25/26, the trustees are satisfied that the charity is able to continue as a going concern and the accounts have been prepared on this basis.

b. PRINCIPAL RISK AND UNCERTAINTIES

The principal risks and uncertainties identified by the trustees are:

Financial sustainability

The hospice acknowledges that funding the gap between annual operating costs and income through reserves is not a long term sustainable option and has therefore developed an income generation plan to grow, diversify and sustain income. With the recruitment of a dedicated Director of Income Generation in late 23/24, the hospice now has a clear plan of how it intends to significantly grow income over the next 5 years and has taken the strategic decision to invest in income generation to protect services. At the same time, the hospice continually reviews all elements of its expenditure to ensure that it operates efficiently and effectively and maximises value for money.

Workforce planning

With a clear operational plan for the next 5 years now in place, a defined strategic plan for workforce planning is in the final stages of development. Whilst the hospice can meet its current staffing requirements, it knows that with an ageing workforce robust plans need to be implemented to secure the staff to meet our future service provision and requirements. This new plan will encompass retention and development of existing staff as well as the recruitment of new staff to ensure we have the correct numbers and skills mix to meet our community's current and future needs.

Continuity of service provision

As a direct consequence of our financial challenges the hospice can only provide six inpatient beds in our IPU, despite demand being in the region of ten to twelve beds. Also we are currently unable to provide a range of much needed Day Therapy services. It is our ambition to be able to offer these services but until we can achieve a more stable financial position we cannot currently meet the level of the demand there is in the community for our much needed care.

Major incident planning & management

One of the key lessons from the Covid pandemic, is that we live in an uncertain world where uncontrollable external factors can have a significant impact on any organisation and organisations need to be prepared to expect the unexpected. The hospice has developed and is in the process of refining Business Continuity plans which provide a framework for responses to any type of incident. Throughout 25/26, this refinement will continue, alongside training and desktop exercises to fully test these plans and ensure they minimise the impact of any incidents on the hospice.

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c. FINANCIAL OVERVIEW

The financial performance of the charity is set out in the attached financial statements.

Incoming resources

As set out on page 23, total incoming resources, including income from charitable activities, was £8,698k for the year (£7,427k in 23/24).

Resources expended

Prospect Hospice's expenditure on a recurring basis (set aside) to provide care and support for patients, families and carers was £5,452k, a decrease of £85k over the previous year. Expenditure in generating voluntary income was up on the previous year as a direct consequence of the increased income.

d. RESERVES POLICY

In line with the Charity Commission Guidance (Charities Reserves CC19), the trustees are aware of the need to secure the viability of Prospect Hospice beyond the immediate future.

It is the policy of Prospect Hospice to aim to keep a sufficient level of free reserves to enable it to suffer any short-term setbacks in income or unexpected costs. As an absolute minimum it is the policy of the hospice to keep reserves at a level sufficient to cover the financial risks it has identified within its financial plans whilst also being aware of the need for any contractual financial obligations as they fall due. The Trustees have assessed the risks and have set the minimum level of free reserves at £1.1m. If the level of free reserves falls below the policy level the Trustees will review all reserves and their purpose and may choose to transfer previously designated reserves into free reserves to enable them to utilise where most needed for the provision of the hospice's charitable aims.

As outlined in the financial statements as at 31 March 2025 general reserves were £4,616k, a decrease of £707k during the year. Of this total, £1,128k relates to unrestricted fixed assets and £452k in investment land. The remaining balance of £3,036k represents approximately 4.35 months of future operating expenditure. The reserves policy also allows for the designation of funds at the trustees' discretion. As at the 31 March 2025 designated funds were nil.

e. MATERIAL INVESTMENTS POLICY

As at 31 March 2025 the investment cash fund had a market value of £2.5m (2024: £2.9m).

The Investment Policy seeks to ensure that the hospice has the appropriate financial resources available to meet both its current and future aims. The hospice's investments are split short-term reserves and a long-term general fund. The investment objective for the short-term reserves is to preserve the capital value with a minimal level of risk and ensuring immediate liquidity of funds. The investment objective for the long-term general portfolio is to preserve the capital value of the fund in real terms, while generating income to support the ongoing activities of the hospice.

Additionally, £452k is held as investment land as at 31 March 2025, this valuation is unchanged from March 2024.

Prospect Hospice Limited

Report of the trustees

For the year ended 31 March 2025

Structure, governance and management

a. CONSTITUTION

The charity and the group is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 May 1980.

Prospect Hospice Limited (the charity) is a registered charity, and is constituted as a charitable company limited by guarantee and does not have a share capital.

The charity has a wholly owned trading subsidiary, Prospect Hospice Trading Limited, which is a retailer of new goods and operates the café within the Hospice. The subsidiary company produced a trading profit of £44.1k (2024: £30.2k) in the year.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity and the group is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The charity's board of trustees regularly reviews the mix of its skills, and if any needs are identified then applicants with relevant skills and backgrounds who are eligible to meet the required time commitment are sought and recruited. This year, the board has anticipated forthcoming gaps in its skills mix that would arise through the rotation and retirement of longstanding trustees and has already recruited trustees to fill these skills and knowledge gaps.

The board of trustees constitutes a broad cross section of people with healthcare and business skills and experience, reflecting the work of the Hospice.

The board interviews applicants for trustee vacancies, and their suitability is evaluated against a pre-agreed set of criteria, set by a nominations committee of existing trustees.

On appointment, trustees are invited to attend induction training alongside new recruits to the hospice's staff and volunteer group.

All trustees are offered a tailored induction programme to aid with familiarisation of the charity and their responsibilities as trustees.

c. PAY POLICY FOR STAFF

In addition to its statutory obligation to implement the national living wage and national minimum wage rates, the hospice implemented a new Pay Framework in 2021 following consultation with Trustees. The principles underlying the pay framework are:

- Staff pay should be based around the median benchmarked market rates (+/- 5%);
- Any cost of living increase awarded will be applied to all grades and roles; and
- A commitment to align pay to Agenda for Change.

The pay framework applies to all employees except for Doctors and Consultants where GMC rates apply.

Prospect Hospice Limited

Report of the trustees

For the year ended 31 March 2025

The Trustees review pay annually ahead of the new financial year, with a view to making a decision on pay and ordinarily implementing any pay award from 1 April. Due to the continuing cost pressures the Trustees agreed there would be no pay award for staff for the 24/25 financial year. In light of this decision Trustees in January 2025 agreed that there would be a 3% cost of living increase awarded to staff for the 25/26 financial year.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

Responsibility for the charity's overall strategy, the monitoring of its progress, the management of risk and legal compliance rests with the board of trustees, which meets every 3 months.

In addition, committees reporting to the full board on Finance Audit & Risk, Income Generation, Patient Services and People & Resources also meet on a regular basis.

The board of trustees makes all corporate policy, strategy and budget decisions, with day-to-day responsibility for the running of the organisation delegated by the board to the Chief Executive.

e. RISK MANAGEMENT

The trustees have assessed, and regularly (quarterly) assess, major risks to which the charity and the group is exposed, in particular those related to the operations and finances of the charity and the group, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks identified.

Under the risk management policy, potential risks to the organisation are identified and reviewed regularly.

Clinical governance is given significant attention to ensure that the hospice complies with all relevant legislation and best practice.

External consultants are engaged to provide increased support on risk management and health and safety matters as and when required.

The Finance, Audit and Risk Committee reviews all aspects of risk and reports to the board of trustees each quarter.

f. FUNDRAISING

The Charities Act (Protection and Social Investment) 2016 came into effect in November 2016. It states requirements for annual statements about fundraising and these are covered below:

The charity's approach to fundraising activity, and in particular whether a professional fundraiser or commercial participator was used:

Prospect Hospice's approach to fundraising is to ensure that any direct fundraising expenditure incurred will maximise a return on investment whilst maintaining excellent relationships with supporters, reflecting best practice within the sector and protecting the vulnerable.

To help secure further members of our lottery, we also contracted a professional canvassing agency which provided their employees for door to door and retail canvassing. We did not employ any telephone marketing agencies to canvas for new members.

Prospect Hospice Limited

Report of the trustees

For the year ended 31 March 2025

Details of any voluntary fundraising schemes or standards, which the charity or anyone fundraising on its behalf has agreed to:

Prospect Hospice is a member of the Fundraising Regulator. We pay the voluntary levy and agree to maintain compliance to the regulations.

We have a supporter promise on our website.

Whether and how the charity monitored fundraising activities carried out on its behalf:

Fundraising activities are monitored by the Income Generation Committee made up of trustees which reports to the board of trustees. Any contracts relating to Professional Fundraisers are scrutinised by the Director in charge of fundraising and reported by exception where necessary to the Committee.

How many complaints the charity or anyone acting on its behalf has received about fundraising for the charity:

We have a complaints procedure and all complaints are recorded. In 24/25 we received 4 complaints out of a total of 36,027 donations made by individuals and organisations that supported Prospect Hospice during the year.

Complaints are monitored by the Executive Team and the Finance, Audit and Risk Committee to identify trends, address complaints and ensure best practice is followed.

What the charity has done to protect vulnerable people and others from unreasonable intrusion on a person's privacy, unreasonable persistent approaches or undue pressure to give. In the course of, or in connection with fundraising for the charity:

Prospect Hospice has a clear Fundraising and Vulnerable Adults Policy, which our fundraisers adhere to. As part of this procedure, anyone identified as a vulnerable person will immediately be marked as not contactable on our database. We will only work with Professional Fundraisers who have their own clear Vulnerable Adults policy and who train their operators in how to deal with vulnerable adults. All complaints are reviewed and addressed in line with our complaints procedure.

What the charity has done to ensure its fundraising activities comply with Data Protection legislation (GDPR):

The hospice has well established data protection policies and procedures to ensure that it is fully compliant with UKGDPR and PECR regulations. Fundraising procedures include robust measures on how we contact supporters and how supporters can change the way they hear from us.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;

Prospect Hospice Limited

Report of the trustees

For the year ended 31 March 2025

- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable 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 charitable group will continue in operation.

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

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- So far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- That trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable group's auditor in connection with preparing their report and to establish that the charitable group's auditors are 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.

This report, including the strategic report, was approved by the board of trustees on 31 July 2025 and signed on their behalf by:

David Cain

David Cain - Chair

Independent auditors' report

To the members of

Prospect Hospice Limited

Opinion

We have audited the financial statements of Prospect Hospice Limited (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, consolidated and parent balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the 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 and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, in the circumstances set out in note 9 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity 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.

Independent auditors' report

To the members of

Prospect Hospice Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in

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

Responsibilities of the trustees

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Independent auditors' report

To the members of

Prospect Hospice Limited

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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or 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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

Prospect Hospice Limited

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 31 July 2025

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Prospect Hospice Limited

Consolidated statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2025

	Note	Restricted £000	Unrestricted £000	2025 Total £000	2024 Total £000
Income from:					
Donations and legacies	3	336	2,432	2,768	2,379
Charitable activities	4	2,305	82	2,387	2,002
Other trading activities	5	-	3,407	3,407	2,969
Investments	6	-	135	135	77
Other income		-	1	1	-
Total income		<u>2,641</u>	<u>6,057</u>	<u>8,698</u>	<u>7,427</u>
Expenditure on:					
Raising funds:					
Voluntary income		-	755	755	611
Fundraising trading		-	2,795	2,795	2,520
Charitable activities		<u>2,151</u>	<u>3,301</u>	<u>5,452</u>	<u>5,537</u>
Total expenditure	8	<u>2,151</u>	<u>6,851</u>	<u>9,002</u>	<u>8,668</u>
Net income / (expenditure) before investment gains		490	(794)	(304)	(1,241)
Net gains on investments		-	-	-	128
Net movement in funds	9	490	(794)	(304)	(1,113)
Reconciliation of funds:					
Total funds brought forward		<u>1,154</u>	<u>5,410</u>	<u>6,564</u>	<u>7,677</u>
Total funds carried forward		<u><u>1,644</u></u>	<u><u>4,616</u></u>	<u><u>6,260</u></u>	<u><u>6,564</u></u>

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 23 to the accounts.

Prospect Hospice Limited

Consolidated balance sheets

As at 31 March 2025

	Note	The group 2025 £000	The group 2024 £000	The charity 2025 £000	The charity 2024 £000
Fixed assets					
Tangible assets	12	2,282	2,286	2,282	2,286
Investment property	13	452	452	452	452
Investments	14, 15, 16	2,507	2,886	2,507	2,886
		5,241	5,624	5,241	5,624
Current assets					
Stocks	17	65	63	57	55
Debtors	18	822	686	942	700
Cash at bank and in hand		858	920	742	906
		1,745	1,669	1,741	1,661
Liabilities					
Creditors: amounts falling due within 1 year	19	726	729	722	721
Net current assets		1,019	940	1,019	940
Net assets	22	6,260	6,564	6,260	6,564
Funds					
Restricted funds	23	1,644	1,154	1,644	1,154
Unrestricted funds:					
Designated funds		-	87	-	87
General funds		4,616	5,323	4,616	5,323
Total charity funds		6,260	6,564	6,260	6,564

Approved by the trustees on 31 July 2025 and signed on their behalf by

David Cain

David Cain - Chair

Prospect Hospice Limited

Consolidated statement of cash flows

For the year ended 31 March 2025

	2025 £000	2024 £000
Cash used in operating activities:		
Net movement in funds	(304)	(1,113)
<i>Adjustments for:</i>		
Depreciation charges	120	138
Gains on investments	-	(128)
Dividends, interest and rents from investments	(135)	(77)
Loss / (profit) on the sale of fixed assets	(1)	3
Impairment of fixed assets	-	3
Increase in stock	(2)	(8)
Increase in debtors	(136)	(229)
Increase in creditors	(2)	55
Net cash used in operating activities	<u>(460)</u>	<u>(1,356)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	135	77
Purchase of fixed asset investments	(121)	-
Disposal of fixed asset investments	500	2,596
Purchase of tangible fixed assets	(116)	(134)
Movement in cash held by investment manager	-	(1,527)
Net cash provided by investing activities	<u>398</u>	<u>1,012</u>
Cash flows from financing activities:		
Repayment of borrowing	-	(1,300)
Net cash used in financing activities	<u>-</u>	<u>(1,300)</u>
Decrease in cash and cash equivalents in the year	(62)	(1,644)
Cash and cash equivalents at the beginning of the year	<u>920</u>	<u>2,564</u>
Cash and cash equivalents at the end of the year	<u><u>858</u></u>	<u><u>920</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies

a) Basis of preparation and general information

Prospect Hospice is a charitable company limited by guarantee registered in England and Wales. The registered office address is Moormead Road, Wroughton, Swindon, Wiltshire, SN4 9BY.

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

Prospect Hospice Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The charity's functional and presentational currency is the pound sterling and the accounts are presented in round thousands.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. The Trustees recognise that going concern continues to be an uncertainty for the hospice over the longer term as it navigates the path back to a recurring state of financial sustainability. Financial sustainability is one of the key objectives of the current hospice 5-year strategy that was developed during 2023/24 with work continuing during 2024/25 on the detailed operating plans to support the strategy. Having considered the financial results for 2024/25 together with the budget set for 2025/26, the Trustees are satisfied that the charity is able to continue as a going concern and the accounts have been prepared on this basis.

d) Income

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

Income from the 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.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

d) Income (continued)

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 executors to the Trust 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 future events or lottery draws is deferred until the event takes place or the lottery draw is run and criteria for income recognition are met. Income from contracts received in advance of service delivery is deferred to the period to which it relates.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

Donated goods for resale are recognised as income at their fair value upon receipt, which is deemed to be the expected proceeds from sale less the expected costs of sale. Any difference in the resale value is charged or credited to the statement of financial activities during the year.

f) 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.

g) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. The net book value of buildings, and significant improvements to buildings, which are funded by restricted monies are treated as restricted.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

h) 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.

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

Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Costs of charitable activities include those items that can be directly attributed to the activities and include a proportion of support costs.

In implementing the hospice strategic plan, where alongside continued direct delivery of high quality patient services, we seek to positively influence the care provided by other organisations and individuals, we need to understand where we are allocating and spending our budget against these aims. The hospice has continued to set out the allocation of costs by strategic aim, accounting for time taken by staff in direct care roles on education and influencing.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional, statutory and regulatory requirements.

i) Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Facilities costs including reception and housekeeping are allocated by space occupied and catering costs are allocated based on meals produced. All other costs are allocated based on headcount.

j) Tangible fixed assets

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:

Hospice buildings	straight line over the remaining useful life to 2045
Leasehold improvements	10 years' straight line for hospice improvements, or 3 years' straight line for shop improvements
Equipment for care and support	10 years' straight line, or 3 years depending on nature of equipment
Other equipment and vehicles	10 years' straight line, or 3 years depending on nature of equipment

Items of equipment are capitalised where the purchase price exceeds £1,000.

k) Investment property

Investment land is included in the balance sheet at its fair value. No depreciation is charged. Gains or losses on investment land are shown on the statement of financial activities (SOFA).

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

l) Investments

Investments held at the year end are valued at the current market value at that date. Investment income from dividends is included in incoming resources while realised and unrealised losses and gains on investments are shown separately on the statement of financial activities (SOFA). Realised gains and losses are calculated on investment disposals during the year as the difference between the opening market value and the proceeds received on sale. Unrealised gains and losses are calculated on investment holdings at the year end as the difference between the closing market value and the opening market value or purchase value during the year.

m) Stock

Stock is included at the lower of cost or net realisable value after making due allowance for obsolete and slow-moving stocks. Donated items of stock are recognised at fair value, derived from an estimation based on holding 2 weeks' worth of non-giftaided sales.

n) 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.

o) 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.

p) Creditors

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.

q) 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 subsequently measured at their settlement value.

r) Pension costs

The charity participates in an NHS defined benefit scheme, and a Royal London (formerly Scottish Life) defined contribution scheme. Under the NHS Pension Scheme Direction Order (1996) only qualifying employees are permitted to join the NHS pension scheme. There are no further liabilities other than that already recognised in the SOFA.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

s) Accounting estimates and judgements

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

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

The key sources of estimation or uncertainty that have a significant effect on the amounts recognised in the financial statements include depreciation - see note 1(j) above - accrued legacy income, which is included within debtors - see note 1(d) above - the Akers land investment property valuation - see note 1(k) above.

t) Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2. Prior period comparatives

	Restricted	Unrestricted	2024
	£000	£000	Total
			£000
Income from:			
Donations and legacies	148	2,231	2,379
Charitable activities	1,933	69	2,002
Other trading activities	-	2,969	2,969
Investments	-	77	77
	<u>2,081</u>	<u>5,346</u>	<u>7,427</u>
Total income	2,081	5,346	7,427
Expenditure on:			
Raising funds:			
Voluntary income	-	611	611
Fundraising trading	-	2,520	2,520
Charitable activities	2,115	3,422	5,537
	<u>2,115</u>	<u>6,553</u>	<u>8,668</u>
Total expenditure	2,115	6,553	8,668
Net expenditure before investment gains	(34)	(1,207)	(1,241)
Net gains on investments	-	128	128
	<u>-</u>	<u>128</u>	<u>128</u>
Net movement in funds	(34)	(1,079)	(1,113)

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

3. Income from donations and legacies

	Restricted £000	Unrestricted £000	2025 Total £000
Donations	23	890	913
Grants	128	-	128
Prospect fundraising events	32	201	233
Community fundraising	-	546	546
Boxes income	-	47	47
Legacies	-	329	329
Trusts income	153	69	222
In memorium	-	350	350
Total donations and legacies	336	2,432	2,768

Prior period comparative

	Restricted £000	Unrestricted £000	2024 Total £000
Donations	-	533	533
Prospect fundraising events	32	168	200
Community fundraising	-	313	313
Boxes income	-	44	44
Legacies	-	819	819
Trusts income	83	106	189
In memorium	33	248	281
Total donations and legacies	148	2,231	2,379

4. Income from charitable activities

	Restricted £000	Unrestricted £000	2025 Total £000
Swindon CCG	1,807	-	1,807
Wiltshire CCG	335	-	335
Great Western Hospitals NHS Foundations Trust	-	8	8
Health England (GPST1 doctors funding)	135	-	135
NHS Continuing Health Care (CHC)	-	19	19
Education & Training Income	-	22	22
Other	28	33	61
Total charitable activities	2,305	82	2,387

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

4. Income from charitable activities (continued) Prior period comparative	Restricted	Unrestricted	2024
	£000	£000	Total £000
Swindon CCG	1,383	-	1,383
Wiltshire CCG	322	-	322
Great Western Hospitals NHS Foundations Trust	-	15	15
Health England (GPST1 doctors funding)	205	-	205
Education & Training Income	4	24	28
Other	19	30	49
Total charitable activities	1,933	69	2,002

5. Income from other trading activities	2025	2024
	£000	£000
Shops and retail	2,514	2,189
Lottery income	740	697
Catering income	153	83
Total other trading activities	3,407	2,969

All income from other trading activities in the current and prior year was unrestricted.

6. Investment income	2025	2024
	£000	£000
Income from cash held at UK banks	14	50
Income from investment portfolio	121	27
Total investment income	135	77

All investment income in the current and prior year was unrestricted.

7. Government grants

The charitable company receives funding from the government in the form of a standard NHS contract from Bath and North East Somerset, Swindon and Wiltshire (BSW) ICB. During the year, the charity also received a capital grant from the DHSC via Hospice UK. Details of the amounts received are in note 3 and 4 to the accounts. There are no unfulfilled conditions or contingencies attaching to these funds.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

8. Expenditure

	Direct costs £000	Support costs £000	2025 Total £000
Raising funds			
Costs of generating voluntary income	<u>619</u>	<u>136</u>	<u>755</u>
Fundraising trading			
Costs of goods sold in shops and café	105	18	123
Lottery prizes and overheads	225	8	233
Retail costs	<u>1,824</u>	<u>615</u>	<u>2,439</u>
	<u>2,154</u>	<u>641</u>	<u>2,795</u>
Charitable activities			
In-patient unit	1,708	734	2,442
Community care	1,107	524	1,631
Influencing and education	705	560	1,265
Governance costs	<u>114</u>	<u>-</u>	<u>114</u>
	<u>3,634</u>	<u>1,818</u>	<u>5,452</u>
Total expenditure	<u><u>6,407</u></u>	<u><u>2,595</u></u>	<u><u>9,002</u></u>
Prior year comparative	Direct costs £000	Support costs £000	2024 Total £000
Raising funds			
Costs of generating voluntary income	<u>451</u>	<u>160</u>	<u>611</u>
Fundraising trading			
Costs of goods sold in shops and café	56	18	74
Lottery prizes and overheads	152	9	161
Retail costs	<u>1,678</u>	<u>607</u>	<u>2,285</u>
	<u>1,886</u>	<u>634</u>	<u>2,520</u>
Charitable activities			
In-patient unit	1,794	778	2,572
Community care	1,083	517	1,600
Influencing and education	718	546	1,264
Governance costs	<u>101</u>	<u>-</u>	<u>101</u>
	<u>3,696</u>	<u>1,841</u>	<u>5,537</u>
Total expenditure	<u><u>6,033</u></u>	<u><u>2,635</u></u>	<u><u>8,668</u></u>

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

9. Net movement in funds

This is stated after charging:

	2025	2024
	£000	£000
Depreciation	120	138
Operating lease payments	404	353
Trustees' remuneration	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit for the group (excluding VAT)	<u>16</u>	<u>15</u>

During the year, one trustee was reimbursed travel expenses of £75 (2024: nil).

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to prepare and submit returns to the tax authorities.

10. Staff costs and numbers

Staff costs were as follows:

	2025	2024
	£000	£000
Salaries and wages	5,478	5,267
Social security costs	509	494
Pension costs	<u>406</u>	<u>400</u>
	<u>6,393</u>	<u>6,161</u>

Termination and redundancy payments totalling £59k were paid during the year (2024: £25k). This included £2k of ex-gratia payments.

	2025	2024
	No.	No.
Average number of employees	<u>208</u>	<u>197</u>
Full time equivalents:		
	2025	2024
	No.	No.
Medical	5	5
In-patient nurses	24	26
Community care	33	34
Influencing and education	3	2
Catering and housekeeping	6	5
Income generation	47	47
Facilities and reception	2	2
Admin and support	23	21
Management	<u>8</u>	<u>7</u>
	<u>151</u>	<u>149</u>

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

10. Staff costs and numbers (continued)

During the year, bank staff employed by the hospice are used to cover short term absences, vacancies and training. When bank staff are not available external agency staff are then used. Total payments for bank staff made through the payroll in the year was £82k (2024: £153k).

At 31 March 2025 there were 33 members of the NHS pension scheme (2024: 38), and 132 members of the Royal London Group Personal pension plan (2024: 136).

The number of higher paid employees was:	2025	2024
	No.	No.
£70,001 - £80,000	1	1
£80,001 - £90,000	2	4
£90,001 - £100,000	2	1
£150,001 - £160,000	1	-
£160,001 - £170,000	-	1
	6	7

The total emoluments inclusive of all employer related costs and termination, redundancy and other restructuring fixed term contractual payments paid to key management personnel (5.5 FTE) for the year was £646k (2024: 5.4 FTE, £693k), of which, pension contributions amounted to £35k (2024: £36k).

11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

12. Tangible fixed assets: group and charity

	Hospice land and buildings £000	Leasehold improvements £000	Equipment for care and support £000	Other equipment and vehicles £000	Total £000
Cost					
At 1 April 2024	4,012	215	468	1,091	5,786
Additions	14	45	20	37	116
Disposals	<u>(5)</u>	<u>(57)</u>	<u>(222)</u>	<u>(478)</u>	<u>(762)</u>
At 31 March 2025	<u>4,021</u>	<u>203</u>	<u>266</u>	<u>650</u>	<u>5,140</u>
Depreciation					
At 1 April 2024	1,913	200	442	945	3,500
Charge for the year	63	3	9	45	120
Disposals	<u>(5)</u>	<u>(57)</u>	<u>(222)</u>	<u>(478)</u>	<u>(762)</u>
At 31 March 2025	<u>1,971</u>	<u>146</u>	<u>229</u>	<u>512</u>	<u>2,858</u>
Net book value					
At 31 March 2025	<u>2,050</u>	<u>57</u>	<u>37</u>	<u>138</u>	<u>2,282</u>
At 31 March 2024	<u>2,099</u>	<u>15</u>	<u>26</u>	<u>146</u>	<u>2,286</u>

Included in hospice land and buildings is freehold land at a cost of £307k which is not depreciated.

13. Investment property: group and charity

	2025 £000	2024 £000
Market value at 1 April 2024 and 31 March 2025	<u>452</u>	<u>452</u>
Historic cost	<u>153</u>	<u>153</u>

The investment land shown relates to a share of land that was given in a legacy. The ownership of the land has been transferred into the names of the three beneficiaries of which Prospect Hospice is one. The latest desktop valuation of the land was carried out on 31 March 2025 by Chesters Harcourt. This concluded there was no material change in valuation on the proportion of the developable land. The remaining proportion of land is held at arable value. The trustees consider this a fair estimate of land value as at 31 March 2025.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

14. Investments: group and charity

	2025	2024
	£000	£000
Market value at 1 April 2024	2,886	3,777
Additions	121	-
Disposal proceeds	(500)	(2,596)
Realised and unrealised gains	-	128
	<u>2,507</u>	<u>1,309</u>
Market value at 31 March 2025		
	<u>2,507</u>	<u>1,309</u>
Cash held pending reinvestment	-	1,577
	<u>2,507</u>	<u>2,886</u>
Total investments	<u>2,507</u>	<u>2,886</u>
Investments comprise:		
Listed investments	-	1,309
Cash and cash equivalents	2,507	1,577
	<u>2,507</u>	<u>2,886</u>
Total investments	<u>2,507</u>	<u>2,886</u>

All listed investments were held in a CCLA Common Investment Fund until 23 May 2024 at which point the funds were transferred to a CCLA Deposit Fund.

The charity also holds a £2 investment in a trading subsidiary, Prospect Hospice Trading Limited, as detailed in note 15.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

15. Subsidiary undertakings

Prospect Hospice Trading Limited

Prospect Hospice Trading Limited (company number: 03725477) is a wholly owned subsidiary of Prospect Hospice Limited with an issued share capital of two ordinary shares of £1 each. It trades in the purchase and sale of 'new goods' within our retail operations and operates a cafe within the hospice. This company makes a donation to the charity of its taxable profits under the gift aid scheme.

	2025	2024
	£000	£000
Turnover	204	129
Cost of sales	<u>(102)</u>	<u>(56)</u>
Gross profit	102	73
Administrative expenses	<u>(58)</u>	<u>(43)</u>
Profit on ordinary activities before taxation	44	30
Tax on profit / (loss) on ordinary activities	<u>-</u>	<u>-</u>
Profit for the financial year after taxation	<u>44</u>	<u>30</u>
<i>Changes in equity</i>		
Total retained losses brought forward	-	-
Total comprehensive income for the year	44	30
Gift aid distribution to parent charity	<u>(44)</u>	<u>(30)</u>
Total retained profit / (losses) carried forward	<u>-</u>	<u>-</u>
The aggregate of the assets, liabilities and funds was:		
	2025	2024
	£000	£000
Assets	133	37
Liabilities	<u>(133)</u>	<u>(37)</u>
Funds	<u>-</u>	<u>-</u>

16. Parent charity

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

	2025	2024
	£000	£000
Gross income	8,597	7,368
Results for the year	<u>(305)</u>	<u>(1,113)</u>

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

17. Stock

	The group		The charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Goods for resale	<u>65</u>	<u>63</u>	<u>57</u>	<u>55</u>

18. Debtors

	The group		The charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade debtors	103	270	93	269
Amounts owed by group undertakings	-	-	122	29
Tax recoverable	64	63	72	49
Prepayments and accrued income	<u>655</u>	<u>353</u>	<u>655</u>	<u>353</u>
	<u>822</u>	<u>686</u>	<u>942</u>	<u>700</u>

19. Creditors: amounts due within 1 year

	The group		The charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade creditors	123	110	123	106
Accruals	303	219	300	216
Other taxation and social security	112	128	111	128
Other creditors	14	57	14	57
Deferred income (see note 20)	<u>174</u>	<u>215</u>	<u>174</u>	<u>214</u>
	<u>726</u>	<u>729</u>	<u>722</u>	<u>721</u>

20. Deferred income

	The group		The charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
At 1 April 2024	215	186	214	186
Deferred during the year	174	215	174	214
Released during the year	<u>(215)</u>	<u>(186)</u>	<u>(214)</u>	<u>(186)</u>
At 31 March 2025	<u>174</u>	<u>215</u>	<u>174</u>	<u>214</u>

Deferred income relates to contract income received in advance of provision of services, fundraising income collected in advance of events and lottery income collected in advance of the draw.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

21. Financial instruments measured at fair value

	The group		The charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Financial assets measured at fair value	<u>2,959</u>	<u>3,338</u>	<u>2,959</u>	<u>3,338</u>

Financial assets held at fair value comprise listed investments and investment property.

22. Analysis of group net assets between funds

	Restricted funds £000	General funds £000	Total funds £000
Tangible fixed assets	1,154	1,128	2,282
Investment property	-	452	452
Fixed asset investments	-	2,507	2,507
Current assets	499	1,246	1,745
Current liabilities	(9)	(717)	(726)
Net assets at 31 March 2025	<u>1,644</u>	<u>4,616</u>	<u>6,260</u>

Prior year comparative	Restricted funds £000	Designated funds £000	General funds £000	Total funds £000
Tangible fixed assets	1,092	-	1,194	2,286
Investment property	-	-	452	452
Fixed asset investments	-	-	2,886	2,886
Current assets	62	87	1,520	1,669
Current liabilities	-	-	(729)	(729)
Net assets at 31 March 2024	<u>1,154</u>	<u>87</u>	<u>5,323</u>	<u>6,564</u>

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

23. Movements in funds

	At 1 April 2024 £000	Income £000	Expenditure £000	Transfers between funds £000	At 31 March 2025 £000
Restricted funds					
Building funds	1,092	-	(54)	-	1,038
Costs of equipment	-	24	-	-	24
DHSC Capital Grant Programme	-	128	-	-	128
Running costs	62	2,489	(2,097)	-	454
Total restricted funds	1,154	2,641	(2,151)	-	1,644
Unrestricted funds					
Designated funds	87	-	-	(87)	-
General funds	5,323	6,057	(6,851)	87	4,616
Total unrestricted funds	5,410	6,057	(6,851)	-	4,616
Total funds	6,564	8,698	(9,002)	-	6,260

Restricted funds

Building funds

This relates to cash received from the capital appeal to build the hospice in Wroughton and cash received from the Department of Health in 2007, 2010 and 2014 for building works at the hospice. The building costs related to this income have been incurred in previous years. The expenditure cost for this year is the depreciation of the related assets.

Costs of equipment

This relates to funds received from Swindon Bus Company and Wiltshire Garden Trust to purchase capital items, and will be spent down by the depreciation charge of the related assets beginning in the following financial year.

DHSC Capital Grant Programme

This relates to funds received from Hospice UK to purchase capital items, and will be spent down by the depreciation charge of the related assets beginning in the following financial year.

Running costs

This relates to grants, donations and legacies which are received for charitable activities and specific purposes. These are held as restricted funds until spent, most of these funds are utilised in the year of receipt.

Unrestricted funds

Designated funds

This related to a potential liability arising from additional obligations around pension contributions. Indications were that the estimated value of these potential payments was in the region of £100k and the costs incurred to 31 March 2024 were £13k, leaving a balance of £87k at 31 March 2024. The trustees took the decision to release this designated fund to general funds in the year ended 31 March 2025 as it is deemed highly unlikely that the liability will materialise.

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

23. Movements in funds (continued)

Prior year comparative

	At 1 April 2023 £000	Income £000	Expenditure £000	Gains / (losses) £000	Transfers between funds £000	At 31 March 2024 £000
Restricted funds						
Building funds	1,146	-	(54)	-	-	1,092
Costs of equipment	5	-	(5)	-	-	-
Running costs	37	2,081	(2,056)	-	-	62
Total restricted funds	1,188	2,081	(2,115)	-	-	1,154
Unrestricted funds						
Designated funds	100	-	(13)	-	-	87
General funds	6,389	5,346	(6,540)	128	-	5,323
Total unrestricted funds	6,489	5,346	(6,553)	128	-	5,410
Total funds	7,677	7,427	(8,668)	128	-	6,564

24. Pension commitments

The charity has active members in an NHS defined benefit scheme and a Royal London (formerly Scottish Life Group) Personal Pension Plan (RL). Since 1996, Prospect have also been subject to The Prospect Foundation Ltd (Superannuation) Direction 1996 ("the Direction Order") from the NHS which permits qualifying employees to join the NHS pension scheme. All other employees are entitled to join the RL plan. The pension charge represents contributions payable by the charity to these funds.

RL Scheme

The assets of the RL scheme are held separately from those of the charity in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £209k (2024: £195k).

NHS Scheme

The NHS scheme is a multi-employer defined benefit pension scheme. As the charity is unable to identify its share of the assets and liabilities of the scheme on a consistent and reliable basis, the scheme is treated by the charity as if it were a defined benefit contribution scheme, in accordance with FRS 102. The pension cost charge represents contributions payable by the charity to the fund and amounted to £180k (2024: £191k).

Prospect Hospice Limited

Notes to the financial statements

For the year ended 31 March 2025

25. Operating lease commitments

The group and charity had operating leases at the year end with total future minimum lease payments as follows:

	The group		The charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Amount falling due:				
Within 1 year	303	262	303	262
Within 1 - 5 years	393	293	393	293
Over 5 years	19	4	19	4
	<u>715</u>	<u>559</u>	<u>715</u>	<u>559</u>

26. Contingent assets

There are some legacies which have been notified to the charity at 31 March 2025 for which the amount receivable cannot be ascertained. These financial statements include payments received on account but not any estimates for future amounts receivable. Indications are that the estimated value of these potential legacies is in the region of £920k (2024: £275k).

27. Related party transactions

No members of the board of trustees received any remuneration for their services. In the year, one trustee received £75 reimbursement of travel expenses (2024: nil).

One trustee made donations to the charity totalling £600 in the year (2024: nil).

Beyond the transactions with its subsidiary, there were no further related party transactions during the year. In the prior year, trustee Joseph Lewis (resigned 22 August 2023) was a partner at law firm Gardner Leader LLP. Gardner Leader LLP provided legal services related to the commercialising of catering for £825 + VAT.