



Weldmar Hospicecare

(A Company limited by guarantee and not having a share capital)

Company Registration No. 2520727 (England and Wales)
Charity Registration No. 1000414

Consolidated financial statements

For the year ended 31 March 2022



Weldmar Hospicecare

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Weldmar Hospicecare

Legal and administrative information for the year ended 31 March 2022

Patron	His Royal Highness The Prince of Wales KG KT GCB
President	The Hon Mrs C Townshend DL
Vice Presidents	Mrs C Bueno The Lord Fellowes of West Stafford DL Mr J Gibson Fleming DL Dr G Guy MB BS Mrs V McDonough Mrs J Mains Mrs C J Nickinson Mrs D Sale RGN RCNT
Trustees	Mr S Baynard (Chairman) Mr I Stone (Vice Chairman) Mr I Campbell (resigned 22 March 2022) Viscount FitzHarris Mr D French Mrs J George (resigned 27 October 2021) Mrs T Grant Ms S Hawkett Mr J Joicey-Cecil Mr J Lambert (appointed 15 July 2021) Mr P Lovibond (appointed 15 July 2021) Mrs D Smith
Chief Executive	Caroline Hamblett
Company Secretary	Sarah Harbige (appointed 1 March 2022) Dean Daniels (resigned 28 February 2022)
Registered and Principal Office	Weldmar Hospicecare Herrington Road Dorchester DT1 2SL
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ Barclays Bank plc 10 South Street Dorchester DT1 1BT National Westminster Bank Plc 49 South Street Dorchester DT1 1DW Santander UK plc 100 Ludgate Hill London EC4M 7RE

Weldmar Hospicecare Trust

Legal and administrative information for the year ended 31 March 2022 continued

Solicitors

Battens
Mansion House
Princes Street
Yeovil
BA20 1EP

Registered Auditor

Saffery Champness LLP
Midland House
2 Poole Road
Bournemouth
BH2 5QY

Investment Managers

Rathbones
8 Finsbury Circus
London
EC2M 7AZ

Weldmar Hospicecare

Report of the Trustees for the year ended 31 March 2022

Weldmar Hospicecare Ltd, known as Weldmar Hospicecare, is a registered incorporated charity, under charity number 1000414 and company number 2520727 (England and Wales).

The Trustees, who are also directors for the purposes of company legislation, are pleased to present their annual Trustees' report together with the consolidated financial statements of Weldmar Hospicecare and its subsidiaries for the year ending 31 March.

The Trustees confirm that their report and the consolidated financial statements comply with Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Aims Objectives and Activities

The objectives of Weldmar Hospicecare are to promote the relief of sickness by such charitable means as the Trustees shall from time to time think fit, including by:

- operating a hospice
- operating a home nursing team with specialist services aimed at controlling pain and other distressing symptoms
- offering support and counselling with a view to relieving the suffering of relatives or dependants of any person in need of palliative care
- assisting in the teaching or training of palliative care

Weldmar Hospicecare provides a public benefit by delivering personalised advice, care, and support to people in Dorset who have complex needs at the end of life, supporting both the patient and those important to them.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Our services are provided free of charge.

Our services are integrated to cover North, Central and South Dorset. Each area has similar populations but differing geographies and socioeconomic characteristics. Whilst North Dorset provides the greatest number of patients, these patients prefer to be looked after in their own homes or community hospitals.

In support of our charitable aims we provide the following services;

- a community specialist palliative care nursing service
- day hospice in four locations
- 12 inpatient hospice beds in a hospice in Dorchester (Inpatient unit)
- a hospice care at home service (Weldmar at Home)
- medical consultancy for the community, hospice and on-call for local hospitals
- social support including child and adult bereavement support, chaplaincy and counselling services
- wide ranging volunteer services from befriending to transport
- education in specialist palliative care for specialists and generalists

Our teams are integrated to provide a genuinely seamless service based around patients' needs. It also enhances our capacity to manage increases in demand by providing a stronger service in the community, reducing the growth in demand for the Inpatient unit services. The patients who attend the Inpatient unit are now extremely complex, requiring the medical and nursing expertise only available

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Report of the Trustees for the year ended 31 March 2022

in an inpatient setting. We also care for complex patients in a community setting which might be their home, a nursing home or a community hospital.

In delivering our services we are also guided by our vision, mission and values as follows.

Our Vision

All people in Dorset living with a terminal illness being able to access the palliative care services they need, where they need it, and when they need it.

Our Mission

- To provide the highest quality care for patients living with a life limiting illness
- To offer support to families and others affected by the patient's illness
- To be an active and constructive partner in the health and social care community in Dorset
- To provide our services free of charge
- To provide excellent working conditions and development opportunities for our staff and volunteers

Our Values

- **Caring:** We care for the people we support, who support us, each other and ourselves.
- **Integrity:** We act with integrity by building relationships based on being honest and fair with open communication.
- **Welcoming:** We are warm and welcoming to everyone.
- **Adaptable:** We are always seeking ways to improve and develop as a charity and as individuals.

Achievements and Performance

Service Quality

As an organisation partially funded by the NHS, Weldmar Hospicecare is obliged to publish a Quality Account for the year and this can be found on our website. <https://www.weldmarhospicecare.org/wp-content/uploads/2022/07/Weldmar-Hospicecare-Quality-Account-2021-22-FINAL.pdf>

Corporate Objectives and Achievements

Progress against last year's stated objectives:

Aim	Achievement
Financial 1. Like for like expenditure growth kept within a 3% ceiling. 2. To invest in long-term income generation including legacy marketing and lottery investment to secure long-term funding streams.	1. No. Like for Like expenditure increased by 4%. However, activity and income were much higher in 2021/22 and this was the driver for increased expenditure. 2. There was increased legacy marketing in the year and a legacy marketing strategy has been implemented. Additional lottery investment was deferred until 2022/23.
Operational 1. To refurbish and modernise Weldmar Hospicecare's inpatient unit and create a room with capacity for family and friends to stay.	1. The refurbishment and modernisation was completed in the year. As a result of the refurbishment, we are now able to accommodate patients in either single rooms, two bedded bays or a more spacious family room with visitor accommodation.

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Report of the Trustees for the year ended 31 March 2022

Aim	Achievement
2. To introduce a hospice at home service. 3. To implement a new patient care system, SystmOne. 4. To review Weldmar Hospicecare's services, as a result of Covid-19.	2. Weldmar Hospicecare hospice at home service, Weldmar at Home, was launched in July 2021. 3. SystmOne was implemented in June 2021. 4. Due to the continuing impact of the Covid-19 pandemic the review of services was postponed until 2022-23.
Staff and Governance 1. To use the apprenticeship levy to enable career development opportunities and succession planning. 2. To actively promote and offer employment and volunteering opportunities to people with a disability. 3. To continue to develop a comprehensive wellness programme for staff.	1. We have several active apprenticeships across Weldmar Hospicecare and these should result in staff being able to progress as opportunities arise. 2. Weldmar Hospicecare is a Disability Confident Employer, which requires such active promotion. 3. A more complete wellness programme is on offer which includes complementary therapy and also counselling.
Strategic 1. To implement the new strategy for Weldmar Hospicecare for 2021-25. 2. To continue to develop the workforce, fundraising and retail strategies to underpin Weldmar Hospicecare's main strategy.	1. In the year we have focused on launching our new hospice at home service, Weldmar at Home. We have also made progress in securing additional funding for this service which will be operational in 2022/23. 2. Further work has been completed in the year to develop these strategies, including improvements to recruitment and retention of staff, a review of retail locations and refurbishment of a shop, and a revised strategy for fundraising.

Complaints and other feedback

There were seven complaints during the year (as compared to six in 2020/21). None of the complainants felt it necessary to take the complaint to the Chairman or the Care Quality Commission. These seven complaints related to the Inpatient unit, community and external providers and involved communication issues, care concerns or staff conduct. All were investigated and replied to, giving full responses to the concerns raised by the complainants. Service provision is complex by its nature and is provided by a variety of agencies. Weldmar Hospicecare will continue to develop our skills in helping patients and their families/carers to navigate and understand these relationships, and ensure we are as clear as we can be where our commitments and responsibilities start and end.

Care Quality Commission

Our services are regulated and inspected by the Care Quality Commission (CQC) with whom we are registered under the Care Standards regulations. While we are independent of the NHS, our clinical work is guided principally by the Guidelines on Palliative Care issued by the National Institute for Clinical and Health Excellence (NICE) and the Quality Markers for End of Life Care. We were inspected by the CQC in March 2016 and our services were rated as outstanding. Since then, we have had regular engagement and monitoring calls with the CQC and remain rated as outstanding.

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Report of the Trustees for the year ended 31 March 2022

Volunteers and Staff

Fundraising throughout the county is supported in many different ways by volunteers. Normally they work alongside our fundraising team, but this has not been possible as, for the second year running, our events have not taken place due to the ongoing Covid-19 pandemic. The fundraising volunteers remain loyal, standing by us, ready to resume when we are able. We currently have 506 registered fundraising volunteers (2021: 544).

Being a volunteer in one of our 19 charity shops and 5 outlets is both fun and valuable, enabling an enormous contribution towards raising funds for the care we provide throughout Dorset. We currently have 393 retail volunteers (2021: 352) who contributed 58,677 hours (2021: 19,777 hours). We have seen a terrific upturn in retail volunteer activity this year following the challenges of the previous year due to the pandemic.

Befriending and caring, supporting and helping are words that describe our patient care volunteers. We currently have 130 patient care volunteers (2021: 162) who contributed 4,292 hours (2021: 4,131 hours). This has been another challenging year where so many of our patient care volunteer roles remained unavailable due to the pandemic. Volunteers who were able to continue have adapted and excelled to meet the needs of Weldmar Hospicecare.

Collectively, we would not be able to deliver the level of service that we do without the contribution from all our volunteers.

Volunteers have access to the Volunteers' Group Forum where they can put forward suggestions and ideas for improving or developing the support and involvement of the volunteer contribution. This met 6 times in the year.

Weldmar Hospicecare's very first volunteer satisfaction survey was carried out in April 2019. The return rate of 18% was disappointing, however, we received some great comments and feedback including:

- **98%** - I enjoy volunteering for Weldmar
- **97%** - I would recommend Weldmar to friends and family if they needed care or treatment
- **96%** - I would recommend Weldmar as a place to volunteer

What is the best thing about volunteering at Weldmar:

- Making a contribution in an area which is personally important to me
- It gave me a purpose after my loved one died
- The satisfaction gained from helping a most needed and worthwhile operation

There were 242 staff at the end of March 2022 (2021: 219), 188 full-time equivalents (2021: 180). There are 68 clinical staff plus 7 doctors (f.t.e. 2.9). The rest are family support and bereavement workers, complementary and creative practitioners, workforce development, hotel services, volunteer manager, fundraisers, retail, administrative and management staff.

Staff have access to an Employee Forum where they can raise issues of concern or ideas about service development. It met 3 times in the year.

Financial review

Results

Weldmar Hospicecare raised £13.99m (2021: £10.80m) and spent £9.38m (2021: £8.60m) during the year, resulting in an operating surplus of £4.61m (2021: £2.20m). The financial performance was higher than the budget for the year.

Income

The Trustees continue a policy of diversification in income generation to lessen Weldmar Hospicecare's reliance on any one strand of income. Legacy income at £3.75m (2021: £2.23m) was

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significantly above the target set by the Trustees. Retail performed strongly, once the shops reopened in early April 2021, following the end of the last Covid-19 lockdown.

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation. Weldmar Hospicecare received £2.53m of such funding.

Expenditure

After allocating support costs, which include management and administration costs and property costs, based on the headcount of the activity being supported, Weldmar Hospicecare's expenditure was broken down as follows:

	2022 %	2021 %
Inpatient unit	37	39
Community nursing service	17	18
Day care services	5	8
Education	1	2
Weldmar at Home	6	-
Generating Funds:		
Fundraising	8	6
Shops and trading	26	27

Subsidiary trading

Weldmar Hospicecare Trading Limited generates income from the sale of purchased goods, predominantly Christmas and greetings cards. Total revenue was up 63% to £87,000 in the year (2021: £53,000).

Reserves

Current reserves stand at £23.09m (2021: £17.99m) broken down as follows

	2022 £m	2021 £m
General fund	12.67	5.94
Capital fund	2.95	3.69
Revaluation reserve	3.05	2.90
Designated strategic fund	4.33	4.15
Restricted funds	-	1.23
Trading Subsidiary funds	0.09	0.08
	<u>23.09</u>	<u>17.99</u>

Full disclosure of fund movements is made in Note 18 to the financial statements. A description of the various reserve funds and their accounting treatment is also provided in note 1.5 to the financial statements.

General Fund

These are free reserves to insulate Weldmar Hospicecare from significant reductions in income from either the NHS or the general public, including legacies. Their purpose is also to secure the long-term operation of the service, for future capital expenditure, major refurbishment or service development not yet specified.

The Trustees aim to hold 6-12 months of operational expenditure in General Funds. At 31 March 2022 general funds equated to 15 months' worth of operational expenditure (2021: 5 months). The

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Report of the Trustees for the year ended 31 March 2022

current level is deemed more than sufficient for anticipated needs and risks in the next 12 months. Trustees will be reviewing opportunities to utilise the excess funds to support Weldmar Hospicecare's aims in a sustainable manner.

Designated Strategic Fund

This is the amount set aside by Trustees for priming new services and investing in more opportunities for generating income to subsidise our patient services. The amount required is constantly under review.

At 31 March 2022 the designated strategic fund was set aside by Trustees to support the Weldmar at Home service for 5 years from 1 April 2022 to 31 March 2027.

Investments

Weldmar Hospicecare's investments are overseen by the Investment and Property committee (comprising Trustees and Forum of Advisers' members), who determine overall asset allocation between cash, property and quoted securities. Detailed asset allocation and performance management of quoted securities have been delegated to Weldmar Hospicecare's investment manager, Rathbones. The objective given to the investment managers is that the portfolio should achieve a balanced return with a defined level of risk (low to medium), and with no more than 3% invested in property funds or companies (due to other investments in property). The mandate is kept under constant review.

The value of quoted securities as at 31 March 2022 was £10.21m (2021: £6.33m). In addition, the Trustees hold £0.63m in the Charities Property Fund (2021: £0.54m), a Common Investment Fund available to all charities in England and Wales that invests directly in UK commercial property.

The investment portfolio produced a combined return of 9.9% (2021: 20.3%) and the Trustees are satisfied that this return exceeds their objectives.

Ethical investment: It is the Trustees' view that no funds should be invested directly in tobacco stocks because of the proven link between smoking and death and especially premature death from cancer – the focus of our main charitable activity.

Fundraising practices and performance

Weldmar Hospicecare seeks to raise funds through donations, events and sponsored challenges, lotteries, legacies, and selling donated goods.

In our fundraising activities, we follow the requirements of charity legislation, money laundering and anti-corruption legislation and the standards promoted by the Fundraising Regulator and the Chartered Institute of Fundraising.

Weldmar Hospicecare therefore only accepts financial support on the following conditions:

- The support can contribute to the furtherance of Weldmar Hospicecare's charitable aims and objectives.
- The Trustees are satisfied accepting such support will not cause adverse publicity which affects our standing in the community in which we operate, our ability to raise funds from other established supporters or which will be detrimental to our professional reputation as a service provider.
- We will not endorse or approve the services of any company, in particular those associated with its work (undertakers, solicitors etc.) whether in return for financial or other support or not.
- Weldmar Hospicecare will not accept financial support or enter into partnerships with companies involved with the commercial exploitation of tobacco because of the proven links between tobacco consumption with cancer.

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In addition, Weldmar Hospicecare will not share or sell any of its databases of donors for any reason.

All Weldmar Hospicecare fundraisers, including agency staff acting on our behalf, receive training on how to identify and protect people in vulnerable circumstances. If we encounter someone showing signs of distress, confusion or vulnerability, our fundraisers are trained to politely end the conversation and refuse any donation offered in such circumstances. In the unlikely event of a donation being taken in such circumstances, we will refund the donation.

Some of our lottery ticket selling and the running of our lottery is conducted on our behalf by a carefully selected professional agent. We work very closely with the agent to make sure they represent our work and our organisation to the highest standards. None of our fundraisers, whether employed by us or one of our agencies, are paid on a commission basis.

The number of complaints received in 2021-22 regarding fundraising was 4 (2020-21: nil). All the complaints were resolved satisfactorily through our in-house procedures and none were escalated to the Fundraising Regulator.

During the year, and the previous year, there were no instances of failures to comply with our fundraising standards. Standards are monitored and maintained through mandatory training and the use of mystery shoppers.

Performance

Before the start of each financial year, the Trustees agree a target for our fundraising income, excluding legacies, and associated costs. In 2021-22 Weldmar Hospicecare's fundraising generated total income of £1,817,000 of income (2021: £1,749,000) and incurred costs of £398,000 (2021: £359,000). These results represented a net contribution of £1,420,000 (2021: £1,391,000) which was £688,000 (2021: £967,000) above the annual target.

Plans for Future Periods

Strategic Plan

Our Strategic Plan addresses the challenges we face, aiming to:

- Develop partnerships to enhance the region's capacity to provide a fast, coordinated, flexible response to patients in their own homes
- Consider joint working beyond traditional boundaries and on different business models to create this capacity
- Improve mechanisms for obtaining patient and families' feedback
- Develop more secure and diversified streams of income

Key Objectives for 2022/23

Financial

- To invest in long-term income generation including legacy marketing and lottery investment to secure long-term funding streams

Operational

- To expand Weldmar Hospicecare's support for patients with degenerative neurological conditions
- To continue developing and embedding Weldmar Hospicecare's clinical management and reporting system, SystemOne, across all clinical areas
- To expand Weldmar Hospicecare's provision of hospice care at home through our new Weldmar at Home service
- To maintain resilience to the impact of the Covid-19 pandemic

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Strategic

- To continue to implement the new strategy for Weldmar Hospicecare for 2021-25
- To continue to develop the workforce, fundraising and retail strategies to underpin Weldmar Hospicecare's main strategy

Structure, Governance and Management

Status

Weldmar Hospicecare was incorporated as a Limited Company by guarantee, on 10 July 1990. We are registered, with the Charity Commission, under charity number 1000414, and our company registration number is 2520727.

Governing document

Weldmar Hospicecare's governing document is our Memorandum and Articles of Association.

Board structure

The company's governing body is a Board of Trustees whose members are elected by the members of the company. The Board currently comprises 10 members and there are 9 sub-committees.

The Board meets 6 times a year and in between times delegates responsibility to a Chief Executive (Caroline Hamblett) and the other senior managers. The Board has adopted the Code of Conduct for Good Governance. It conducted an appraisal measured against the Code's standards in the year.

The list of Trustees who served during the year can be found on page 1 of the accounts together with other legal and administrative information.

Board committee structure

The board committees are as follows:

- Audit
- Nominations
- Clinical Governance
- Integrated Governance
- Finance
- Investment and Property
- Human Resources and Workforce Development
- Income Generation
- Equality, Diversity and Inclusion

Each is chaired by a Trustee and includes other Trustees, members of the Forum of Advisers, staff and often experts who volunteer their help on a specific topic but who are not part of the Board.

Board Nominations Committee and appointment of new Trustees

The Board Nominations Committee met twice during the last financial year to review the skill mix and membership of the Board. The focus of the Board Nominations Committee remains the refreshment of the Board as long-serving Trustees come up for retirement over the next few years. There were 2 appointments to the Board and 2 resignations from the Board in the year. Appraisal of Board performance continues under the Chairman.

When new Trustees are appointed they are invited to an induction day to brief them on their legal obligations under charity and company law, fundraising regulations, the Charity Commission guidance on public benefit, and inform them of the content of the Articles of Association, the committee and

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Report of the Trustees for the year ended 31 March 2022

decision-making processes, the strategic plan and recent financial performance of Weldmar Hospicecare. During the induction day, they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. They will also be briefed on a particular area of our work at the commencement of most board meetings.

Key management personnel

Weldmar Hospicecare considers its key management personnel to comprise the Trustees and the Directors Group, who are the Chief Executive, the Chief Operating Officer, the Director of Clinical Services, the Director of Retail, and the Director of Finance. During the year the posts of Medical Director and Director of Nursing were replaced by a single role of Director of Clinical Services.

The Trustees receive no remuneration.

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Trustees are mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of Weldmar Hospicecare including the responsibility to raise the funds needed to ensure continuity of care. The Trustees have carefully considered the remuneration of the senior management team and are satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

Trading Subsidiaries

Weldmar Hospicecare had two subsidiaries for generating funds: Weldmar Hospicecare Trading Limited and Weldmar Hospicecare Enterprises Limited. Weldmar Hospicecare Enterprises Limited did not trade during the year and was dissolved on 22 February 2022. Its functions of raising funds for Weldmar Hospicecare through corporate sponsorship and acting as a selling agent on behalf of participators donating goods in Weldmar Hospicecare's shops were transferred to Weldmar Hospicecare Trading Limited from 1 April 2021.

All taxable profits are paid to Weldmar Hospicecare under gift aid. A quasi-subsidiary relationship exists between Weldmar Hospicecare and Weldmar Hospicecare Trading Limited. Although it does not fulfil the definition of a subsidiary, it is directly controlled by Weldmar Hospicecare and this relationship gives rise to benefits for Weldmar Hospicecare that are in substance no different from those that would arise if it was a subsidiary.

Risk Management

There is an **Assurance Framework** matching the Terms of Reference of Board committees, with the Risk Register and Strategy, ensuring that each area of activity is scrutinised by a Board Committee. Each of the Clinical Governance sub-committees is similarly mapped against the Clinical Risk Register to ensure comprehensive scrutiny.

Weldmar Hospicecare employs **independent internal auditors (TIAA)** to examine key areas of risk in a programme of work which should cover the whole organisation every five years. This year they looked at cyber security, key management financial controls, health and safety management and mystery shopping at a sample of the retail shops. TIAA indicated that in most areas the Board had reasonable assurance there were robust mechanisms in place to manage risk and operations.

Weldmar Hospicecare has a comprehensive Risk Management policy which sets out responsibilities for risk identification, assessment, recording, reporting and monitoring. New risks are identified at Directorate level and systematically reviewed by the Risk Appraisal Panel (the Directors' Group) which meets quarterly to identify the key risks to the organisation. The Board reviews the Register twice annually and the Audit and Risk Management, Integrated Governance and Clinical Governance committees scrutinise risks and mitigating actions in more detail. Clinical Risks are identified by a Risk subgroup of the Clinical Governance structure.

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Report of the Trustees for the year ended 31 March 2022

The table below identifies the principal risks identified and monitored by the Trustees during the year based on the processes described above. Going forward, the Trustees will continue to consider work carried out by the Directors' Group on the identification and management of risk, including in relation to the delivery of our planned community programs.

Risk	Mitigations
The inability to recruit sufficient, suitably qualified and experienced, staff results in Weldmar Hospicecare not being able to deliver its services.	Increasing the number of channels, we use to recruit staff. Implementing new retention strategies. Providing apprenticeships and other training to upskill staff. Reviewing how services are delivered to maximise the use of highly skilled staff.
The failure to generate sufficient funds means Weldmar Hospicecare cannot deliver its services	New sources of income are continually being evaluated and implemented where appropriate Expenditure on targeted marketing is being increased. The cost of providing our services is continually reviewed.
The Covid-19 Pandemic may impact the strategic and operational performance of Weldmar Hospicecare.	Any material, expected or actual, impact is evaluated and a response prepared by the Director's Group. Where impacts are expected to have lasting effects e.g. hybrid working new policies are implemented. Where available relief funding is applied for.
The Weldmar at Home service may fail to generate funds, staff, or community support	The implementation of Weldmar at Home is carefully reviewed and monitored. The service is actively marketed. New sources of funding are being sought.

Going Concern

The Trustees consider that there are no material uncertainties about Weldmar Hospicecare's ability to continue as a going concern. In forming their opinion, the Trustees reviewed the forecast performance of Weldmar Hospicecare prepared by management for the foreseeable future. In doing this they have considered the potential impacts of reasonably possible scenarios including the impact of reductions in fundraising and retail income and increases in costs caused by the Covid-19 pandemic, the war in Ukraine and the cost of living crisis, and the uncertainty around the timing of cashflows on legacy income. The Trustees have concluded that Weldmar Hospicecare has resilience in its liquid resources to manage the impact of these risks and uncertainties.

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Report of the Trustees for the year ended 31 March 2022

Statement of Trustees' responsibilities

The Trustees (who are also directors of Weldmar Hospicecare 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 (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that Weldmar Hospicecare will continue in business.

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

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.

Statement as to disclosure to our auditors

So far as each of the Trustees, at the time of approving this report, are aware:

- there is no relevant audit information of which the auditors are unaware, and
- they have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Saffery Champness LLP are willing to remain in office as auditor to Weldmar Hospicecare and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at the Annual General Meeting.

Approved by the Trustees and signed on their behalf by:



Mr Stephen Baynard Trustee

22 September 2022

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Independent auditor's report to the members of Weldmar Hospicecare Limited

Opinion

We have audited the financial statements of Weldmar Hospicecare Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity balance sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Weldmar Hospicecare

Independent auditor's report to the members of Weldmar Hospicecare Limited

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Weldmar Hospicecare

Independent auditor's report to the members of Weldmar Hospicecare Limited

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fines, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

Weldmar Hospicecare

Independent auditor's report to the members of Weldmar Hospicecare Limited

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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

Saffery Champness LLP

.....
Nicholas Fernyhough (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants

Statutory Auditors

Midland House

2 Poole Road

Bournemouth

BH2 5QY

Date: 5 October 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating consolidated income and expenditure account) for the year ended 31 March 2022

	Notes	Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
		£'000	£'000	£'000	£'000
Income					
Donations and legacies	2	4,644	370	5,014	3,535
Charitable activities	3	33	4,474	4,507	5,209
Income from other trading activities	4	4,212	-	4,212	1,842
Investment income	6	249	-	249	219
Other incoming resources	7	8	-	8	-
Total income		9,146	4,844	13,990	10,805
Expenditure on					
Raising funds	8	3,159	-	3,159	2,876
Charitable activities to provide palliative care	8	529	5,688	6,217	5,727
Total expenditure		3,688	5,688	9,376	8,603
Net income / (expenditure) from operational activities	7	5,458	(844)	4,614	2,202
Net gains on investments		671	-	671	949
Net income		6,129	(844)	5,285	3,151
Other recognised gains					
(Losses) / Gains on revaluation of fixed assets		(180)	-	(180)	776
Transfers between funds		388	(388)	-	-
Net movement in funds		6,337	(1,232)	5,105	3,927
Reconciliation of funds					
Funds at 31 March 2021		16,757	1,232	17,989	14,062
Funds at 31 March 2022		23,094	-	23,094	17,989

All of the group's activities are classed as continuing. Movements on reserves and all recognised gains and losses are shown above. The notes on pages 21 to 40 form part of these financial statements.

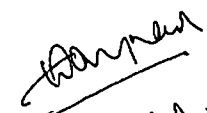
Weldmar Hospicecare

Balance Sheets as at 31 March 2022

	Notes	The Group		The Charity	
		2022 £'000	Restated 2021 £'000	2022 £,000	Restated 2021 £,000
Fixed assets					
Tangible assets	13	6,001	6,088	6,001	6,088
Intangible assets	14	-	1	-	1
Investments	15	11,208	7,365	11,208	7,365
		<u>17,209</u>	<u>13,454</u>	<u>17,209</u>	<u>13,454</u>
Current assets					
Stocks		19	21	6	5
Debtors	16	4,346	1,745	4,346	1,694
Cash at bank and in hand		2,142	3,395	2,136	3,391
		<u>6,507</u>	<u>5,161</u>	<u>6,488</u>	<u>5,090</u>
Liabilities:					
Creditors: Amounts falling due within one year	17	622	626	696	637
Net current assets		<u>5,885</u>	<u>4,535</u>	<u>5,792</u>	<u>4,453</u>
Total net assets		<u>23,094</u>	<u>17,989</u>	<u>23,001</u>	<u>17,907</u>
Funds					
Unrestricted funds:					
General fund	18	12,669	5,940	12,669	5,940
Capital fund	18	2,946	3,688	2,946	3,688
Revaluation reserve	18	3,055	2,899	3,055	2,899
Designated strategic fund	18	4,331	4,148	4,331	4,148
Restricted funds	18	-	1,232	-	1,232
Trading subsidiary funds	18	93	82	-	-
Total funds	18	<u>23,094</u>	<u>17,989</u>	<u>23,001</u>	<u>17,907</u>

The financial statements were approved by the Trustees on 22 September 2022

Signed on their behalf by Mr Stephen Baynard


Company Registration No. 2520727 (England and Wales)

Weldmar Hospicecare

Consolidated cash flow statement for the year ended 31 March 2022

	Notes	2022 £,000	Restated 2021 £,000
Cash flows from operating activities:			
Net cash provided by operating activities	24	1,950	2,362
Cash flows from investing activities:			
Dividends, interest and rents from investments		249	219
Proceeds from the sale of property, plant and equipment		216	-
Purchase of property, plant and equipment		(495)	(103)
Proceeds from the sale of investments		1,167	1,374
Purchase of investments		(4,340)	(1,366)
Net cash (used) by investing activities		(3,203)	124
Change in cash and cash equivalents in the year		(1,253)	2,486
Cash and cash equivalents at 31 March 2021		3,395	909
Cash and cash equivalents at 31 March 2022	25	2,142	3,395

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

1. Accounting Policies

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

1.1 Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with 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.

Weldmar Hospicecare Ltd, (the Charity) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Where applicable the amounts in these financial statements have been rounded to the nearest £1,000.

1.2 Legal status of the Charity

The Charity is controlled by its Trustees acting in concert. The Charity is limited by guarantee and as such does not have a share capital. The members, who are also the Trustees, undertake to contribute an amount not exceeding £1 in the event of a winding up.

1.3 Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In forming their opinion, the Trustees reviewed the forecast performance of the Charity prepared by management for the foreseeable future. In doing this they have considered the potential impacts of reasonably possible scenarios including the impact of reductions in fundraising and retail income and increases in costs caused by the Covid-19 pandemic, the war in Ukraine and the cost of living crisis, and the uncertainty around the timing of cashflows on legacy income. The Trustees have concluded that the Charity has resilience in its liquid resources to manage the impact of these risks and uncertainties.

1.4 Group financial statements

The consolidated results include those of quasi-subsiidiaries, on a line by line basis, where the Charity directs the financial and operating policies of the quasi-subsiidiary with a view to gaining economic benefit from it.

1.5 Funds accounting

Funds held by the Charity are:

Unrestricted funds

General fund – these are reserves which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated strategic fund – these are reserves set aside by the Trustees out of the general fund for specific future purposes or projects.

Capital fund – these are funds set aside by the Trustees based on Charity Commission guidance. The Charity Commission advises trustees that they should exclude from reserves the value of tangible fixed assets as spending these funds may adversely impact the charity's ability to deliver its aims.

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts. The cost of raising and administering such funds is charged against the specific fund. Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

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

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. If a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised as income in the same year as the corresponding donation. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Income from NHS contracts, government and other grants, whether 'capital' grants or 'revenue' grants are recognised when the Charity has an 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.

Legacy income is recognised when it is probable that it will be received. Pecuniary legacies are recognised when probate is granted. Residuary legacies are recognised when probate has been granted, provided the amount of the legacy can be determined with reasonable accuracy and there are no unmet conditions for the legacy to be paid.

Residuary legacies that cannot be recognised at probate will be recognised once the uncertainty relating to them being received has been resolved. If the charity has received notification from executors of their intention to make an interim distribution in respect of an unrecognised legacy, the amount of the distribution will be recognised as income.

Recognition of residuary legacies at any point before the final estate accounts are agreed gives rise to some uncertainty as to the amount that will be finally received. This uncertainty is due to the variation in amounts realised for assets, in particular properties and investments and to a lesser degree any inheritance tax and costs of administration payable by the estate.

The Charity applies a discount to the value of the legacies at the point of recognition to reflect this uncertainty. The discount is calculated annually based on the Charity's experience of the final amount received vs the amount expected at recognition, for residual legacies completed within the year.

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due, typically from the Charity's investment manager. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Sponsorship from events, fundraising and events registration fees are recognised as income when received to the extent that the Charity is entitled to the income and any performance conditions have been met. Income received for major challenge events is accounted for in the period in which they take place.

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

Lottery income is accounted for in respect of those draws that have taken place in the year.

Income received in advance for a future fundraising or challenge event, a future lottery draw, or for a grant received relating to the following year are deferred until the criteria for income recognition are met.

Trading income is recognised on point of sale for both donated and purchased goods. Customers have the right to return most goods, however, no provision for returns are made as the amounts are immaterial.

1.7 Donated goods and services

Donated services or facilities are recognised 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 of the item is probable, and that economic benefit can be measured reliably.

Donated professional services and facilities are recognized as income at the estimated value of the gift to the Charity when received, based on the amount that the Charity would have been prepared to pay for these services or facilities had it been required to purchase them, with a corresponding cost recognised in the appropriate expenditure heading for the same amount. Donated fixed assets are similarly recognised as income at the value to the Charity with a corresponding amount capitalised in fixed assets.

1.8 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. All expenditure is accounted for on an accruals basis under the following headings:

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies; investment management fees; costs of fundraising activities include the costs of goods sold, shop costs, commercial trading and their associated support costs. Fundraising costs do not include the costs of disseminating information in support of the charitable activities.

Expenditure on charitable activities includes the costs of providing specialist palliative care and support, community services and educational activities undertaken to further the purposes of the Charity and their associated support costs.

Governance costs are associated with the governance arrangements of the Charity and relate to the general running of the Charity. These costs include audit, legal advice for Trustees and the costs associated with meeting constitutional and statutory requirements such as the cost of Trustee meetings and the preparation of statutory accounts. Governance costs also include costs associated with the strategic management of the Charity.

Support costs are those costs which enable fund generating and charitable activities to be undertaken. These costs include finance, human resources, information systems, communication, property management and legal costs. Where expenditure incurred relates to more than one cost category it is apportioned on the basis of staff numbers.

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

1.9 Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution are provided in note 12 to these financial statements and in the Trustees Report.

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

1.10 Fixed assets

Tangible fixed assets costing £500 or more are capitalised at cost and, other than freehold land included in freehold property, are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset category	Annual rate
Freehold property	over 50 years
Leasehold property	over the shorter of the life of the lease or 50 years
Motor vehicles	25% straight line
Fixtures, fittings and equipment	15% straight line
Office equipment	20%-33% straight line

No depreciation is provided on freehold land. Impairment reviews are carried out periodically. If an asset is found to have a carrying value materially higher than its recoverable amount it is written down accordingly.

Costs associated with the setting up of new shops or major refurbishment of existing shops are capitalised where they meet the criteria for capitalisation, otherwise, they are expensed in the year they occur.

1.11 Revaluation of tangible fixed assets

The Charity has adopted the revaluation model to revalue freehold and leasehold property whose fair value can be measured reliably. The revaluations are formally carried out every five years with periodic informal reviews to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Financial Activities and added to reserves in a separate Revaluation reserve.

The Charity owns two mixed-use freehold properties, property held for operational use as charity shops and property held to earn rentals and for capital appreciation. These properties have been split on a square foot basis and separated between investment property and property held for operational use as a tangible fixed asset.

1.12 Intangible assets

In accordance with FRS102 computer software costing £500 or more is classed as an intangible asset, capitalised at cost and is depreciated over its estimated economic life on a straight line basis at 20%-33%.

1.13 Investments

Investments held are either a form of basic financial instruments or investment properties. The former are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are formally revalued every five years with periodic informal reviews, conducted by the Trustees, to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. No depreciation is provided in respect of freehold investment properties.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

and losses on financial investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired after the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

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

1.14 Stock

Stock of retail goods is valued at the lower of cost and net realisable value. Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed. The Trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold. Undertaking a stock take would incur undue cost which outweighs the benefits.

1.15 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. Accrued income and tax recoverable are included at the best estimate of the amounts receivable at the balance sheet date.

1.16 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.

1.17 Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

1.18 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.

1.19 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

The Charity also operates a defined benefit pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102 chapter 28 'Retirement benefits', the charity accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activity represents contributions payable to the scheme in respect of the accounting period.

Further details on contributions are provided in note 22 of these financial statements.

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

1.20 Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities in the period in which the cost is incurred.

1.21 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable Company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.22 Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The matter below is considered to be the most important in understanding the judgements made and the uncertainties that could impact the amounts reported in the financial statements.

Residual legacy income

Residual legacy income requires judgement about the probability of receipt which affects the timing of income recognition. A discounting factor based on our experience of the likelihood of receipt of income is applied to the expected value of the legacy. This factor will be reviewed each year based on updated experience.

In 2020-21, the Charity applied a discounting factor of 50% to residual legacies that met the criteria for recognition. Based on our experience of legacies completed in 2021-22 the Charity has revised the discounting factor to 30%. The impact of the change in legacy income estimation in 2021-22 was £249,000. As at 31 March 2022, the amount accrued for legacy income was £1,678,000.

The realisation of a number of our legacies is dependent on the sale of properties and investments, and the amount and timing of these sales are uncertain. This uncertainty is accounted for in the discount applied to residual legacies.

1.23 Restated amounts

Cash of £1,695,000, held in our investment account as at 31 March 2021 was incorrectly classified as invested in listed securities, instead of cash. The comparative figures on the Group and Charity balance sheets, the consolidated cash flow statement, and notes 15, 24, and 25 have been restated accordingly.

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

2. Donations and legacies

	Unrestricted General Funds £'000	Restricted Funds £'000	Group Total £'000	2021 £'000
Donations and gifts	857	370	1,227	1,257
Friends donations	33	-	33	43
Legacies	3,754	-	3,754	2,235
	4,644	370	5,014	3,535

In 2021, of the total income from donations and legacies, £3,329,000 was to unrestricted funds and £296,000 to restricted funds.

3. Income from charitable activities

	Unrestricted General Funds £'000	Restricted Funds £'000	Group Total £'000	2021 £'000
CCG service contract and other contracts	17	1,830	1,847	1,845
Government Grants	-	2,644	2,644	3,357
Education and courses	7	-	7	4
Catering receipts	9	-	9	3
	33	4,474	4,507	5,209

In 2021, of the total income from charitable activities, £25,000 was to unrestricted funds and £5,183,000 to restricted funds.

4. Income from other trading activities

	Unrestricted General Funds £'000	Restricted Funds £'000	Group Total £'000	2021 £'000
Fundraising income	360	-	360	248
Lottery	197	-	197	201
Charity shops	3,580	-	3,580	1,339
Sale of goods	75	-	75	54
	4,212	-	4,212	1,842

In 2021, of the total income from other trading activities, £1,842,000 was to unrestricted funds and £nil to restricted funds.

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

5. Net income from trading activities of subsidiaries

The Charity had two subsidiaries for the purpose of generating funds: Weldmar Hospicecare Trading Limited and Weldmar Hospicecare Enterprises Limited. Weldmar Hospicecare Enterprises Limited did not trade during the year and was dissolved on 22 February 2022.

The trading activities of the subsidiaries included the sale of goods, corporate sponsorship, and agency commission from the sale of gift-aided goods through the shops. Income from the sale of donated goods is dealt with through the Charity's accounts. From 1st April 2021, all of the activities were undertaken by Weldmar Hospicecare Trading Limited.

All taxable profits are paid to the Charity under gift aid.

Relevant financial information regarding Weldmar Hospicecare Trading Limited for both the financial years ended 31 March 2022 and 2021 and Weldmar Hospicecare Enterprises Limited for the financial year ended 31 March 2021 only, is as follows:

	2022 £'000	2021 £,000
Turnover	87	100
Cost of sales	29	22
Gross profit	58	78
Administrative expenses	2	33
Net profit before taxation	56	45
Taxation		
Net profit after taxation	56	45

6. Investment income and interest

	2022 £'000	2021 £'000
Deposit interest	2	2
Dividends and treasury stock	193	157
Property rental	54	60
	249	219

Amounts included under property rental were all receivable in the current year under operating leases of greater than two years' duration. The minimum future rental receipts are £42,000 (2021:£58,000).

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

7. Net income from operational activities

This is stated after charging/ (crediting):

	Group 2022 £'000	2021 £'000
Depreciation of tangible assets	195	241
Amortisation of intangible assets	1	5
(Profit) on disposal of fixed assets	(9)	-
Operating lease rentals	485	435
Fees payable to the Charity's auditor for: audit of the Charity's and subsidiaries' financial statements	15	14
tax advisory services	1	2

8. Analysis of total resources expended

	Staff Costs £	Direct Costs £	Support Costs £	Group Total £	2021 £
Cost of generating funds					
Fundraising Activities					
Costs of fundraising activities	270	267	125	662	556
Costs of running charity shops	1,484	872	68	2,424	2,273
Total cost of fundraising activities	1,754	1,139	193	3,086	2,829
Costs of managing investments	-	73	-	73	47
Total cost of generating funds	1,754	1,212	193	3,159	2,876
Direct Charitable Expenditure					
Inpatient unit	2,275	264	869	3,408	3,384
Community nursing service	1,177	90	349	1,616	1,558
Day care services	295	57	141	493	646
Education department	71	-	26	97	139
Weldmar at Home service	398	27	178	603	-
Activities to provide palliative care	4,216	438	1,563	6,217	5,727
Total resources expended	5,970	1,650	1,756	9,376	8,603

The activities underlying the activities above, under each heading, are:

Fundraising activities – promoting the awareness of the Charity and its work, organising events, running charity shops and investing in products to create the income flow needed to support our activities.

Managing investments – brokers' fees for managing the investment portfolio and costs associated with maintaining 2 freehold investment properties.

Inpatient unit – providing a 12-bed inpatient hospice in Dorchester.

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

Community nursing service – providing a specialist palliative care nursing service for adults in North, South, and West Dorset.

Day care services – providing 40 social respite care places a week at the inpatient unit in Dorchester, Trimar Hospice Weymouth, Bridport Community Hospital, and Blandford Community Hospital.

Education – providing education in specialist palliative care to our staff and for generalists throughout the health economy.

Weldmar at Home – A new service, started in July 2021, to provide hospice care at home in North, South, and West Dorset.

9. Analysis of support costs

	Management and administration	Property costs	Governance costs	Group Total	2021
	£'000	£'000	£'000	£'000	£'000
Inpatient Unit	766	90	13	869	992
Community nursing service	308	36	5	349	413
Day care services	124	15	2	141	236
Education	23	3	-	26	41
Weldmar at Home	157	18	3	178	-
Fundraising	110	13	2	125	108
Shops	68	-	-	68	56
	1,556	175	25	1,756	1,846

Management and administration costs are the support costs which enable fundraising and charitable work to be carried out. Property costs are the costs which enable the buildings from which the Charity operates to function effectively.

Support costs are allocated on the basis of staff numbers. Included in management and administration expenses are staff costs of £978,000 (2021: £859,000). Governance and professional support for Trustees represent the costs of complying with statutory requirements, strategic planning and providing legal and other support to Trustees.

10. Indemnity insurance

The Charity pays insurance premiums to indemnify Trustees and senior staff from any loss arising from their duties. These costs amounted to £1,588 (2021: £1,411).

Weldmar Hospicecare

Notes forming part of the consolidated financial statements For the year ended 31 March 2022

11. Staff costs and emoluments

	Group	
	2022	2021
	£'000	£,000
Wages and salaries	5,872	5,431
Social security costs	493	449
Pension costs	503	504
	6,868	6,384

The total amount of termination payments in the year, included in wages and salaries, was £109,000 (2021: £35,000). All termination payments were paid in the year.

The average number of staff employed by the Group during the year was as follows:

	Group	
	2022	2021
	Number	Number
Inpatient unit	66	65
Community nursing service	26	25
Day care services	11	14
Education	2	3
Weldmar at Home service	14	-
Fundraising	10	8
Charity shops	83	81
Management and administration of the charity	24	21
	236	217

Emoluments of employees earning over £60,000 per annum, excluding pension contributions, fell within the following ranges:

	Group	
	2022	2021
	Number	Number
£60,001 - £70,000	-	1
£70,001 - £80,000	4	3
£80,000 - £90,000	2	1
£90,001 - £100,000	-	1
£110,000 - £120,000	1	-
£120,001 - £130,000	-	1
£140,001 - £150,000	-	1
£190,001 - £200,000	1	-

Contributions of £23,000 (2021: £22,000) were made to the NHS Pension Scheme, a defined benefit scheme for 2 higher-paid employees (2021: 2). Contributions amounting to £48,000 (2021: £44,000) were made to a defined contribution pension scheme for 5 higher paid employees (2021: 5).

The Charity considers its key management personnel to comprise the Trustees and the Directors Group (senior management team), who are the Chief Executive, the Chief Operating Office, the Director of Clinical Services, the Director of Retail, and the Director of Finance. During the year the posts of Medical Director and Director of Nursing were replaced by a single role of Director of Clinical Services.

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

The total remuneration, including employer pension contributions and termination payments of the senior management team, was £639,000 (2021: £555,000).

12. Trustees' remuneration and expenses

The Trustees received no remuneration in either year. The Trustees received no reimbursement of travel costs for attending meetings (2021 - £Nil). During the year Trustees waived no expenses (2021: £Nil).

13. Fixed assets Group and Charity

	Freehold Property £'000	Leasehold Property £'000	Motor Vehicles £'000	Fixtures, Fittings & Equipment £'000	Office Equipment £'000	Total £'000
Cost or valuation						
At 1 April 2021	4,748	897	198	1,301	298	7,442
Additions	-	-	-	474	21	495
Disposals	(209)	-	(54)	-	-	(263)
Transfers	421	-	-	(421)	-	-
Revaluations	(421)	-	-	-	-	(421)
At 31 March 2022	4,539	897	144	1,354	319	7,253
Depreciation						
At 1 April 2021	-	-	175	933	246	1,354
Charge for the year	62	18	7	84	24	195
On disposals	(2)	-	(54)	-	-	(56)
Transfer	241	-	-	(241)	-	-
Revaluations	(241)	-	-	-	-	(241)
At 31 March 2022	60	18	128	776	270	1,252
Net Book Value						
At 31 March 2022	4,479	879	16	578	49	6,001
At 31 March 2021	4,748	897	23	368	52	6,088

The freehold and leasehold properties at the inpatient unit in Dorchester, Trimar House, Hammick House, in Weymouth, and in Lyme Regis were valued in March 2021 by an independent firm of Dorchester chartered surveyors, Symonds & Sampson.

The inpatient unit was valued on a depreciated replacement cost basis, due to its specialised nature as a purpose-built hospice facility. The other properties were valued on an open market basis.

The properties in Weymouth and Lyme Regis are mixed-use properties; the operational element is recognised as a tangible fixed asset; the remaining element is recognised as an investment property in Note 15.

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

Historical cost information at 31 March 2022

	Cost £'000	Depreciation £'000	Historical Net Book Value £'000
Freehold Property	3,976	2,207	1,769
Leasehold Property	884	351	533

14. Intangible Assets Group and Charity

	Computer Software Total £
Cost or valuation	
At 1 April 2021	126
Additions	-
Disposals	-
At 31 March 2022	<u>126</u>
Depreciation	
At 1 April 2021	125
Charge for the year	1
On disposals	-
At 31 March 2021	<u>126</u>
Net Book Value	
At 31 March 2022	-
At 31 March 2021	1

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

15. Investments Group and Charity

	Freehold Investment Properties £'000	Listed Securities £'000	Charities Property Fund £'000	2022 Total £'000	Restated 2021 Total £'000
Restated market value at 1 April 2021	497	6,326	541	7,364	6,424
Additions at cost	-	4,340	-	4,340	1,366
Disposals at carrying value	(131)	(1,005)	-	(1,136)	(1,242)
Unrealised net gains on revaluation	-	553	87	640	817
Market value at 31 March 2022	366	10,214	628	11,208	7,365
Historical cost at 31 March 2022	67	6,857	500	7,424	6,007

The freehold property at Weymouth, included in investment properties, was valued in March 2021 by an independent firm of Dorchester chartered surveyors, Symonds & Sampson. The Trustees believe the current fair value is not materially different to the formal valuation at March 2021.

16. Debtors

	The Group		The Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	158	249	158	197
Other debtors	104	108	104	109
Prepayments	234	206	234	206
Accrued income	3,850	1,182	3,850	1,182
	4,346	1,745	4,346	1,694

The Charity has been notified of legacies with an estimated value of £903,076 (2021: £808,034) which have not been recognised as income at 31 March 2022 because the legacies have not yet met the criteria to be recognised as income.

17. Creditors: Amounts falling due within one year

	The Group		The Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	179	218	179	179
Amounts due to subsidiary undertaking	-	-	76	52
Other creditors	179	181	179	181
Taxation and social security	204	183	202	181
Accruals	60	44	60	44
	622	626	696	637

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Included in other creditors are the following amounts of deferred income. This income has been deferred as it was received or receivable in advance of the point at which it can be recognised as income by the Charity.

	At 1 April 2021 £'000	Amounts released in the year £'000	Additional provisions made £'000	At 31 March 2022 £'000
Charitable activities	6	(6)	153	153
Fundraising events	16	(16)	11	11
Other	-	-	5	5
	22	(22)	169	169

18. Funds

	At 1 April 2021 £'000	Incoming £'000	Outgoing £'000	Gains / (Losses) £'000	Transfers £'000	At 31 March 2022 £'000
Restricted funds						
CancerCare Dorset	985	-	(985)	-	-	-
Equipment fund – specific assets	138	250	(250)	-	(138)	-
NHS funding	-	1,830	(1,830)	-	-	-
NHSE grants	-	2,533	(2,533)	-	-	-
Government grants	-	111	(111)	-	-	-
Other restricted funds	109	120	(229)	-	-	-
Total restricted funds	1,232	4,844	(5,938)	-	(138)	-
Unrestricted funds						
General fund	5,940	9,104	(3,338)	490	473	12,669
Capital fund	3,688	250	-	-	(992)	2,946
Revaluation reserve	2,899	-	-	-	156	3,055
Designated strategic fund	4,148	-	(318)	-	501	4,331
Trading subsidiaries' funds	82	87	(76)	-	-	93
Unrestricted funds	16,757	9,441	(3,732)	490	138	23,094
Total funds	17,989	14,285	(9,670)	490	-	23,094

Description of restricted funds:

- 1) CancerCare Dorset Limited (which merged with Joseph Weld and Trimar Hospice in November 2004 and subsequently became known as Weldmar Hospicecare) took over the operation of the service known as the West Dorset Macmillan Service in February 1998. This had been a joint appeal operated with Macmillan Cancer Relief. The net assets of the service were taken over by CancerCare Dorset for the future operation of the service.

The operation of the service and the related assets were shown as a restricted fund, by virtue of the terms of the dissolution agreement of the joint appeal. The dissolution agreement required the funds transferred to be used for the care of the terminally ill in West Dorset.

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The remaining funds transferred in November 2004 amounted to £161,000 and the fund was reduced through usage to £79,000 at 31 March 2005. Since the year ended 31 March 2006 investment gains were allocated to the fund and only minimal costs were treated as expended, resulting in a balance at 31 March 2021 of £985,000.

The fund was specifically reviewed as part of a wider review of the Charity's reserve policy. The Charity has incurred substantial expenditure for the care of the terminally ill in West Dorset during the year, which would otherwise be funded from general funds. In the circumstances, the Trustees have decided to allocate £985,000 of that expenditure to this restricted fund.

- 2) Equipment fund - specific assets – These are amounts received from donors to purchase specific items of equipment needed for the Charity's work.

Upon review, it has been determined that the balance at 31 March 2021, of £138,000, has been fully utilised. Utilisation was either due to the previous non-allocation of expenditure or non-recognition of agreement from donors to allow any shortfall in expenditure to be retained as an unrestricted donation. The Trustees have therefore decided that this fund should be treated as fully utilised and the balance at 31 March 2021 should be transferred to general funds.

The amount received in 2021/22 was a single donation specifically to support the refurbishment of the Charity's Inpatient unit. The donation was fully expended in the year.

- 3) NHS funding – The Charity has a Service Level Agreement with NHS Dorset. Under the terms of the contract, the Charity has agreed to provide specialist palliative care, both inpatient and day patient facilities, to the terminally ill. It has also contracted to provide specialist nurse advice in the community, bereavement support, trained volunteer support and education in palliative care. NHS CCG has also contributed funding towards upgrading the IT link between the Charity and the wider NHS.
- 4) The NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation. These were non-repayable grants.
- 5) The Government Grants include payments from the local authority due to non-essential retail being closed at the end of the last financial year and the start of this financial year due the Covid-19. It also includes grants received for 16 to 24 year olds the Charity employed under the Kickstart Scheme. These were non-repayable grants.
- 6) Other restricted funds – relates to other donations or legacies over £250 which have been received to fund a particular part of the Charity's work. The majority of donations received related to the Charity's new Weldmar at Home service which started in the year.

Description of unrestricted funds:

- 7) General fund – these are reserves which can be used in accordance with the charitable objects at the discretion of the Trustees.
- 8) Capital fund – these are funds set aside by the Trustees based on Charity Commission guidance. The Charity Commission advises Trustees that they should exclude from reserves the value of tangible fixed assets as spending these funds may adversely impact on the charity's ability to deliver its aims.

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

- 9) Revaluation reserve – This reserve represents the remaining surplus on the revaluation of tangible fixed assets used for the Charity's charitable purposes and is not available to fund future expenditure.
- 10) Designated strategic fund – these are reserves set aside by the Trustees out of the general fund for specific future purposes or projects.
- 11) Trading subsidiaries – This fund represents the accumulated surpluses from the activities of Weldmar Hospicecare Trading Limited.

Transfers have been made between the unrestricted fund balances to designate the amounts needed to implement the Strategy and to maintain the Capital Fund.

Comparative figures for 2021

	At 1 April 2020 £'000	Incoming £'000	Outgoing £'000	Gains / (Losses) £'000	Transfers £'000	At 31 March 2021 £'000
Restricted funds						
CancerCare Dorset	857	36	(53)	135	11	986
Equipment fund – specific assets	138	-	-	-	-	138
NHS funding	-	1,826	(1,826)	-	-	-
Department of Health Grant	6	-	-	-	(6)	-
Macmillan Grant	5	-	-	-	(5)	-
NHSE Grants	-	2,033	(2,033)	-	-	-
Government Grants	-	1,324	(1,324)	-	-	-
Other restricted funds	21	296	(209)	-	-	108
Restricted funds	1,027	5,515	(5,445)	135	-	1,232
Unrestricted funds						
General fund	3,986	5,115	(2,964)	307	(504)	5,940
Capital fund	3,593	-	-	95	-	3,688
Revaluation reserve	2,354	-	-	545	-	2,899
Designated Strategic fund	2,926	75	-	643	504	4,148
Trading subsidiaries' funds	176	100	(194)	-	-	82
Unrestricted funds	13,035	5,290	(3,158)	1,590	-	16,757
Total funds	14,062	10,805	(8,603)	1,725	-	17,989

19. Analysis of group net assets between funds

	Unrestricted				
	General Funds	Designated Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£'000	£'000	£'000	£'000	£'000
Fund balances are represented by:					
Fixed assets	4,876	1,125	-	6,001	6,089
Investments	9,106	2,102	-	11,208	7,365
Net current assets	4,781	1,104	-	5,885	4,535
Total net assets	18,763	4,331	-	23,094	17,989

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

20. Operating lease commitments

At the balance sheet date, the Group had the following future minimum lease payments, under non-cancellable operating leases, for each of the following periods:

	Land and buildings		Other	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Operating leases payments due				
Not later than one year	415	427	7	-
Later than one year and not later than five years	1,215	1,179	12	-
Later than five years	683	784	-	-
Total payments	2,313	2,390	19	-

21. Capital commitments

At the balance sheet date, the Charity had no capital commitments (2021: £530,000).

22. Pension Commitments and other Post-retirement benefits

The Charity operates both a defined contribution and a defined benefit pension scheme which require contributions to be made to separately administered funds for the benefit of employees.

Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £307,000 (2021: £313,000). Contributions totalling £44,000 (2021: £39,000) were payable to the fund at the balance sheet date and are included in creditors.

Defined benefit pension scheme

Employees that have previously been a member of the NHS pension scheme (the Scheme), before joining the charity, have an option to continue being members of that scheme.

The NHS pension scheme is an unfunded defined benefit scheme that covers NHS employers, GP practices, and other bodies allowed under the direction of the Secretary of State for England and Wales. The scheme is not designed to be run in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme, with the cost to the Charity of participating in the scheme being taken as equal to the contributions payable to that scheme for the accounting period.

The Scheme receives contributions from employees and employers to defray the costs of pensions and other benefits. The pension cost charge represents contributions payable by the charity to the fund and amounted to £196,000 (2021: £191,000). Contributions totalling £28,000 (2021: £26,000) were payable to the scheme at the balance sheet date and are included in creditors.

An actuarial valuation of the NHS pension scheme was completed in February 2019 based on the scheme's position as at 31 March 2016 and the liabilities of the scheme were valued at £278.1 billion.

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As the NHS pension scheme is an unfunded scheme, these liabilities are underwritten by HM Treasury, which also funds or retains the year on year difference between the contribution income and pension payments.

Further information can be found on the NHSPA website; www.nhsbsa.nhs.uk/pensions

23. Related party transactions

The Charity had the following transactions and amounts due with its subsidiaries that are eliminated in these consolidated financial statements.

	Sales of goods and services		Amounts due to related parties	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Weldmar Hospicecare Trading Limited	1	10	76	49
Weldmar Hospicecare Enterprises Limited	-	29	-	3
	1	39	76	52

The Charity had no other related party transactions during either the current or prior year.

24. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £'000	Restated 2021 £'000
Net income for the year (as per the statement of financial activities)	5,105	3,927
Adjustments for:		
Depreciation charge for year	196	246
(Profit) on sale of tangible fixed assets	(8)	-
(Gains) on investments	(671)	(949)
Losses/(gains) on revaluation of fixed assets	180	(776)
Dividends, interest and rents from investments	(249)	(219)
Decrease in stocks	2	5
(Increase)/decrease in debtors	(2,601)	2
(Decrease)/increase in creditors	(4)	126
Net cash provided by operating activities	1,950	2,362

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Notes forming part of the consolidated financial statements For the year ended 31 March 2022

25. Analysis of cash and cash equivalents

	2022	Restated 2021
	£'000	£'000
Cash in hand	1,803	1,700
Cash held as part of the investment portfolio	339	1,695
Total cash and cash equivalents	2,142	3,395

26. Financial performance of the Charity

The consolidated statement of financial activities includes the results of the Charity's subsidiaries, Weldmar Hospicecare Trading Limited and, for the year ended 31 March 2021, Weldmar Hospicecare Enterprises Limited. The summary performance of the Charity alone is as follows:

	2022	2021
	£'000	£'000
Income	13,903	10,704
Gift Aid from subsidiary companies	46	139
	13,949	10,843
Total expenditure	9,346	8,548
Net gains on investments	671	949
Net gains/(losses) on revaluation of fixed assets	(180)	776
Net income	5,094	4,020
Total funds brought forward	17,907	13,887
Total funds carried forward	23,001	17,907

Represented by:

Restricted funds	-	1,232
Unrestricted funds	23,001	16,675
	23,001	17,907