

Company number: 02000560

Charity number: 293968

Pilgrims Hospices in East Kent

Report and financial statements

For the year ended 31 March 2024

PILGRIMS HOSPICES IN EAST KENT
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 March 2024

Trustees	K Warden S Bates LLB. (Hons.) Dr P Biggs S Cuomo (resigned 5 March 2024) P Lepper (appointed 16 April 2024) S Oriel MA (Cantab) S Perks J Richards E Sharp MB BS, FRCS Dr R Wilson
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Company registered number	02000560
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Charity registered number	293968
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Registered office	56 London Road Canterbury Kent CT2 8JA
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Independent auditor	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG
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CHAIR & CHIEF EXECUTIVE'S STATEMENT:

Pilgrims Hospices has performed strongly during 2023-24, our focus has been to review both our organisational and clinical strategy, to further develop our services to continue to enhance the access to hospice services and quality of life for those facing life-limiting illnesses. Rooted in our core values, our strategy "Compassionate Care for Every Patient, Every Family, Every Time", charts a course for innovation, collaboration, and the delivery of unparalleled patient and family centred care. We are confident that our collective efforts will deliver further improvements in excellence to our hospice care services, both in our inpatient units and community settings, making a lasting impact on the lives we touch.

We have achieved many of the objectives we set for ourselves in 2023-24, and our significant achievements have included:

- Gaining a small increase in our statutory funding from the Kent & Medway Integrated Care Board (K&M ICB) as a result of joint Kent and Medway Hospice negotiations, which supported us achieving financial breakeven in a challenging financial climate.
- Developing both the collection and presentation of clinical and care "outcome" data to evidence the clinical impact we have on both patients and their families when under our compassionate and expert care.
- Developing the physical environment of our Thanet Inpatient Unit site and thus enhancing patient experience and satisfaction as well as staff morale to make our care setting as welcoming and comfortable as possible

However, unfortunately, we were advised that we have had to pause our progress in regards to our planned Canterbury new build due to the ongoing Stodmarsh water nutrient/neutrality issue, however we have had constructive discussions with the many parties involved and continue to ensure that we provide a high quality care environment at our current Canterbury site.

Sadly, 2023 saw the death of our life time president and founder Ann Robertson, who was an extraordinary individual who dedicated her life to providing compassionate care for those in need. We pay tribute to her remarkable achievements as the founder and lifetime President of Pilgrims Hospices. Ann's unwavering commitment and relentless pursuit of excellence have left an indelible mark on the organisation and the countless lives it has touched. Pilgrims Hospices continues to celebrate her lifelong dedication and the profound impact she made in the field of hospice care.

We continue to be so proud to lead such an inspiring, innovative, compassionate and caring organisation. This, of course, would simply not be possible without the dedication of our staff and volunteers and the support of our local communities for whom we strive to ensure the delivery and sustainability of palliative and end of life care for every patient, every family, every time.

Thank you for your continued support.

Karen Warden
Chair of Trustees

Helen Bennett
Chief Executive Officer

STRATEGIC REPORT

OBJECTS AND ACTIVITIES (Facts and figures)

Pilgrims Hospices serves a population of approximately 750,000, providing adult palliative care services across East Kent. The charity employs over 360 people and is supported by over 1,150 volunteers. Pilgrims provides support through a number of services:

Inpatient Units

Pilgrims operates three inpatient units in Ashford, Canterbury and Thanet, providing specialist palliative care delivered by a multi-disciplinary team of clinicians. Pilgrims aspires to provide a homely, welcoming environment for patients where they will feel safe, comfortable and well cared for.

Community Services

Pilgrims' dedicated community teams provide specialist palliative care assessment and advice for patients in community settings, whether in their own home, care home, or through outpatient appointments on site, via telephone or virtually. Support is also available 24 hours per day, 365 days per year through a dedicated advice line.

Therapy & Wellbeing

A multi-disciplinary team including Wellbeing Practitioners, Physio and Occupational Therapists provides therapies and wellbeing support for patients through Pilgrims Therapy Centres, as well as through home visits, provision of gym services, and specialist assessment. Therapies input is intended to ensure patients have access to the support they need to enjoy the highest possible quality of life, living as well and as comfortably as possible.

Hospice at Home

Hospice at Home provides dedicated domiciliary care for patients in the last days and hours of life. The team provides up to three visits per day, administering personal care and supporting patients to remain in their preferred place of care until they die.

In the year ended March 2024:

Pilgrims received
2,568 referrals

7,733 patients
Used our services

Pilgrims delivered
6,413
Community Contacts

1.6 million
Donated items sold through
our shops

Psychosocial and Bereavement Care

Social Workers, Counsellors and Spiritual Care professionals work to provide holistic, person-centred care to patients, addressing their psychosocial needs. The Counselling team also provides bereavement support to anyone across east Kent through the Stepping Stones Bereavement Services.

Cost

In the year to March 2024 it cost £12.7 million to deliver these services.

Our Vision

At Pilgrims Hospices we have a simple Vision: “of a community where people with a terminal illness and their family and friends are supported and empowered to live well in mind and body until the very last moment of their life.”

Our Mission

Our ‘Mission’ is to make a difference in the lives of individuals in east Kent who are facing the last year of life. To do this we:

- Provide open, compassionate care and expertise for patients and their families; both in the community and in our inpatient units. We will continue this support for families through their bereavement.
- Inform, educate and enable patients and their families so they can make informed choices and participate in planning their own care.
- Form strategic partnerships throughout our community; sharing our research, knowledge and expertise to enable others to play their part in supporting families where and when they need it.

Our Values

To achieve our Vision, we have a shared set of values and behaviours that will enable us to be the people and the charity that patients and their loved ones need us to be. They form our ‘CODE’ which guides us in our daily working and decision making.

Compassionate -	We treat everyone with compassion and care.
Open -	We communicate openly, honestly and effectively.
Dynamic -	We are dynamic, improving and developing our services.

Pilgrims took over
3,700 phone calls
per month from patients,
families and professionals

On average, Pilgrims
provided over
**2,100 patient
meals**
per month

Pilgrims welcomed
**10,750
Supporters**
to events and
challenges in 2023-24

Pilgrims provided
**1,585
Bereavement Care
Sessions**

Lottery entries
achieved
20,811
per week on average

STRATEGIC PROGRESS & KEY ACHIEVEMENTS

2021-22 saw the launch of Pilgrims Hospices' five-year Organisational Strategy, covering the period 2021-2026.

Four pillars underpin and guide the charity's long-term strategic ambitions and inform the setting of annual objectives.



Objective One: We will put the patient at the centre of all we do, delivering the care they need, where they need it.

As a charity, Pilgrims' first priority will always be patients and the organisation is dedicated to ensuring that service users, as well as their families, receive the highest standards of care and support.

Throughout the year, more services were added to the *I Want Great Care* programme, ensuring feedback was gathered from areas other than the inpatient units such as Physiotherapy, Occupational Therapy and Wellbeing services as well as our other community services. The proportion of patients indicating satisfaction across all services averaged 98%. Processes for recording and following up complaints ensure that if service standards fall below those expected, or where a patient is unhappy with the service received, that this is captured, and that the most is made of opportunities for learning. We are now also collecting direct service user feedback from the Views on Care forms which are given to patients or clients at the end of a period of care (part of the Outcome measures OACC). They judge the impact the care and support received has had on their quality of life. Any positive or negative feedback is reviewed and, if needed, action taken.

Outcome measures

During 2023-24, we made significant changes to our patients' involvement and participation in their care planning, as well as our documentation and our reporting on outcomes. The complexity of our patients at first assessment and changes during follow up contracts are now regularly reported on for patients across all of the care services in the organisation, rather than focussing on the inpatients. Outcome measures are now well reported, especially in the IPU, and understood across the organisation. These are reviewed and analysed at the monthly Outcome Champions Meeting.

Pilgrims worked closely with partners across the healthcare sector, including East Kent Hospitals University NHS Foundation Trust (EKHUFT), throughout the first quarter of the year. In order to provide support to the maximum number of patients, Pilgrims opened additional beds to facilitate admissions for end of life (EOL) patients and continued to facilitate short term admissions for patients in their last months of life, who were waiting for a discharge package, which in turn reduced pressure on NHS/EKHUFT acute services.

By the end of the financial year all three inpatients units were staffed to enable 12 beds to be open. The education lead role was expanded to incorporate Quality. The Quality and Education Lead has implemented monthly quality visits with the Director of Nursing and Care to ensure that care is of the highest standards. Patients are now actively involved in the development of their care plans as these are now led by their own defined goals and concerns in all clinical hospice services.

Objective Two: We will use our influence to develop our services and maximise our reach as we implement new service initiatives.

Evidence demonstrates that earlier involvement with palliative care services improves quality of life and End of Life outcomes for patients and earlier intervention is therefore a key priority for Pilgrims now and in the future. Central to this ambition is the Think, Talk, Act programme which, in partnership with GPs, seeks to identify and engage the 1% of patients likely to die in the next 12 months, as well as the 3% of patients already identified as “moderately frail”.

This programme aims to:-

- enable and empower families to participate in creating their own plans for care whilst they are well enough to participate
- increase the percentage of people identified as likely to be in their last year of life, so that end of life care can be improved by personalising it according to their needs and preferences
- increase the percentage of people who have died having been offered the opportunity for personalised care and support planning
- work alongside primary care colleagues to help identify and support relevant patients, we will introduce proactive and personalised care planning for everyone identified as being in their last year of life
- extend the time we have with a family to establish deeper connection and provide more holistic care
- change the perception people have of Pilgrims – to move away from being seen as a place to die to being seen as an enabler of living well in the final phase of life
- increase support for Pilgrims from a much broader cohort of our local community.

Pilgrims worked with the Integrated Care Board (ICB) and Social Finance towards a bid to provide this service across Kent and Medway alongside the ICB bid for an end of life Single Point of Access service (SPoA). After nine months of work the ICB pulled out of the bid and the neither of these initiatives progressed at this time. The clinical leads in the Ashford and Thanet area however, still embarked on the development of this SPoA which helps to support anybody who calls 999 with the most appropriate needs assessment in the most appropriate setting. The hospice is part of the working group party and actively supports the other end of life and supportive community services in the delivery of practical support.

At the end of the financial year, Pilgrims was invited to the Marshes Integrated Neighbourhood Group to advise and assist on an issue in the Marshes with identifying and supporting patients in the last year of life. Pilgrims agreed to work with them to provide Think, Talk, Act to two GP surgeries and be commenced in 2024-25.

Hospice Clinical and Education Collaboratives

Pilgrims has set up two further formal collaboratives across Kent and Medway. The Kent and Medway (K&M) Hospice Education Collaborative has representatives from all hospices across the regions to jointly review education, both internally and externally. They liaise with the ICB and Health Education England to bid for funding to provide End of Life care education to local Health and Social Care providers.

The Kent and Medway Nursing and Care Directors Collaborative again has representatives from all hospices across the region. This forum allows for peer support, sharing of good practice and joint working alongside a robust voice of hospice care across Kent and Medway. Pilgrims' Director of Nursing and Care is the current chair.

'The Need To Do Something' group

This group has been established by the clinical leads at the hospice to identify areas of collaboration to improve end of life care pathways across east Kent, in line with the "Nine Principles of Sustainability", which underpin many elements of Kent and Medway ICB Palliative and End of Life Strategy.

Following an initial task & finish approach, this group will then focus on mutual education and shared experiences, potentially through quarterly sessions. Details of this are to be determined by summer 2024.

In order to achieve this locality wide agreement, the East Kent Need to Do Something Group was set up and is led by the Medical Director of Pilgrims Hospices, alongside key professionals from east Kent including Lead GPs, EKHUFT colleagues, the KCHFT District Nursing team lead, EK Frailty team colleagues, South East Coast Ambulance Service and IC24 services, Urgent Adult Care Services, hospice services and the Clinical Lead for Kent & Medway and SE P&EOLC lead. There is additional support and representation at ICB Programme Director level.

Each member agrees to identify areas of collaboration and process or system improvement options within their own organisation, that will benefit the group and maximise the resources and skills of individual members and teams within east Kent, with the aim to improve EOL care to our patients. Members will report activity from the collaboration to their respective Boards in the usual way.

In particular, there will be a key focus on:

- Working with health and social care providers to deliver the Kent and Medway ICB Palliative and End of Life Care Strategy and strategies that relate to each individual service and their communities in east Kent.
- To collaborate on the practical aspects of the delivery of palliative and end of life care locally.
- To identify any other support services/functions that could be used collaboratively to maximise delivery of Palliative and End of Life care to patients and families across east Kent.

Virtual wards

The Hospice is represented on the Strategic Committee to develop and roll out Virtual ward beds in east Kent. These beds are supported by EKHUFT medical and nursing staff, with the aim to prevent admission to the acute sector and facilitate earlier step down discharges. The hospice is committed to support end of life and/or rapid response, as long as appropriate and sustained funding is provided and staffing levels allow.

Single Point of access (SPoA)

The Hospice is working closely with all other specialist palliative care providers in east Kent and Medway, at CEO and Clinical & Medical Director level. All providers are committed to supporting

the ICB in the rollout of a SPoA and contributing with Senior Medical Advice and Hospice at Home / rapid response support for complex patients at the end of their lives who are not yet known to the hospices. No further progress has been made on sustained and ringfenced funding for specialist palliative care. The deadline of the SPoA start has been postponed twice and no date has been confirmed or funding for hospice services agreed. However, as outlined above, the hospice is an integrated partner of the clinician led and currently non-ICB supported SPoA in Thanet and Ashford.

Stepping Stones Bereavement Service

The Stepping Stones Bereavement Service has expanded with the development of three walking groups, one in each locality. The demand for this service continues to grow and a co-ordinator post was recruited to support the recruitment and management of additional expert volunteers. Further expansion of this service is planned in order to support more bereaved people across east Kent. In addition, a new initiative of retail volunteers manning bereavement help points in Pilgrims shops is planned for 2024-25.

Equality, Diversity and Inclusion (EDI)

Pilgrims Hospices is committed to addressing health inequalities affecting the delivery of its services and established the Equality, Diversity and Inclusion (EDI) group as a means to deliver this commitment. The purpose of the group is described later in this report. During 2023/24 the group oversaw the development of Advanced Care Planning for people with learning disabilities as part of a joint venture with the KCHFT Learning Disabilities Team.

A project was also started with the Nepalese community and will continue in 2024-25, with the aim of understanding the needs of the community and how Pilgrims Hospices might support them with Advanced Care Planning, end of life and bereavement care. Hospice materials are being produced in large print for service users with sight impairments. Our Therapy Centres continue to integrate celebration of inter-faith and support festivals, holidays and focussed weeks, for example, 'Time to Create' sessions have expanded to include multifaith focus, celebration of different festivals etc. We relaunched collaboration with Porchlight, supporting the homeless community in east Kent following COVID-19; this has become business as usual now. The EDI group has developed a Service User diversity monitoring form, to be launching in April 2024. This form will enable us to understand who we are caring for and highlight any healthcare inequalities for those accessing our services. Equality Impact Assessments are now embedded for use when developing new policies and practices to ensure that groups holding protected characteristics are not disadvantaged. New EDI training has been trialled and diversity content added to existing Clinical training programmes. EDI mandatory training currently sits at 94.8% compliance. In addition, the Training Manager completed an EDI train the trainer level 3 course, '*Inclusive leadership in healthcare*', '*Noticing and challenging microaggressions*', and '*Creating psychologically safe and inclusive workplaces*' through the NHS leadership academy.

Pilgrims representatives attended the Transgender Healthcare Conference 2023: Tackling Inequalities and Providing Support, in particular a session entitled 'Overcoming Barriers to High-Quality Trans Healthcare: The Latest Guidance and Updates'. This focussed on outlining and understanding the key factors that contribute to poor health outcomes for trans and gender-diverse patients. It included advice on improving the data collection and monitoring of gender identity to identify gaps in healthcare provision; Detailing plans to improve waiting times and the service experienced for transgender patients and measuring the impact of service improvements to understand successes and failures,

Objective Three: We will ensure clinical and financial stability through the achievement of a break-even position and by securing consistent and equitable statutory funding as well as identifying new ways to maximise commercial revenue.

During 23-24 we made good progress in working with the Kent and Medway Integrated Care Board

(ICB) to understand the funding required by Kent and Medway Hospices to continue to delivery services to their local communities. This resulted in a small uplift to our base grant and some further funding for specific projects to further develop Palliative and End of Life Care Services. Pilgrims also continued to invest in the development of its estate to ensure maximum value is realised from its existing assets. The charity is delighted to report that these efforts were successful.

Sustaining Voluntary Income:

As always, we are grateful for the support of our local community who have responded generously to our campaigns and appeals, who take part in our events, lottery activities, support us by purchasing items through our shops and donating pre-loved items of clothing and furniture. We are also grateful to the companies and trusts who support us and we would also like to thank everyone who leaves us a gift in their will. Without the generosity of our community we wouldn't be able to run our services.

Retail – At the end of the 2023-24 financial year, Retail had surpassed their five year projections set in 2020 and achieved a sales income of £5.4 million, up from £5.1 million the previous year, representing an increase of £300k on the previous year.

Over the last 36 months, the team have increasingly embraced social media as a way of individual shops interacting with the local communities in which they are based and by doing so have expanded their online trading platforms.

Fundraising – Pilgrims Hospices Fundraising teams have performed exceptionally well, despite the current financial challenges and have raised £1.080 million, which is £47k less than their original budget of £1.127 million and £37k lower than their reforecast budget of £1.117 million. This shortfall can be attributed to the extremely challenging economic climate. Some of the highlights include:

Community Fundraising – the three teams based at each hospice site have worked hard to maintain their community stewardship journeys to achieve a very credible end of year result. A highlight of the year was collecting over 3,000 Christmas trees and raising over £60k for the hospice and the success of much loved local fundraising initiatives, such as our Fairs, Colour Run and Santa Run.

Events – Events performed strongly during the year, particularly our flagship events (namely The Pilgrims Way Challenge and Pilgrims Cycle Challenge), which together generated over £240k. Now in its second year, our third Challenge event - Folkestone Downs - generated over £57k, which represents a £13k increase on 2022. Individuals undertaking personal challenges such as the runs, wing walks and parachute jumps remained strong, with London Marathon, in particular having its most successful year to date.

Corporate & Trusts – At the start of financial year we created a new Corporate & Trusts team to focus solely on this activity. In its first year, the team generated over £200k in income from business support partnerships and grant making funds. Much of the work in 2023-24 has been laying the foundations to boost income further and especially through Corporate Partnerships in 2024-25.

Individual Giving – Individual giving activities, including face-to-face In Memory events and campaigns, have generated slightly less than their original budget. Individual Giving's end of year income was £1.077 million against the original budget of £1.095 million. Our Always Caring programme, now in its second year, has generated £85k over the year from over 600 members. During the year, we received one sizable donation of £75k.

Lottery – The Lottery has been a consistent and sustainable source of income for Pilgrims Hospices. That said, 2023-24 has been challenging for the Lottery team, due to the national

shortage of lottery canvassers, which has impacted on their ability to increase the Lottery's membership. The team generated £1.18 million in 2023-24 and they are looking forward to a strong 2024-25.

Legacies – Legacy income has performed better than expected, and has generated £3.8 million, an increase of £600k and higher than budget. During the year the team continued to streamline our legacy administration processes and define key performance indicators to allow us to monitor income more accurately in future years.

Securing Additional Statutory Funding:

Throughout 2023-24 Pilgrims Hospices, in collaboration with other Kent and Medway (K&M) Hospices, continued to engage with commissioners regarding the need to achieve fair and sustainable statutory funding, in line with the national funding frameworks, which became enshrined in law within the Health and Care Act 2022

Discussions continue to be productive and some additional non-recurrent funding for 2023-24 was provided to Pilgrims. Our focus moving forward is to negotiate funding for core and specialist palliative and end of life care services in line with NHS national commissioning intentions guidance for Commissioners and Integrated Care Boards.

Estates Development:

Pilgrims Hospices has a significant freehold estate, which encompasses a number of retail units arranged over multiple floors. In order to ensure Pilgrims realises the maximum value of its assets, work has been undertaken to identify excess space within the estate and to explore value-generative options to develop these areas.

During 2023-24, we started planning work on a project to convert space above the charity's Broadstairs shop into two residential units. It is anticipated that this development work will be completed during 2024-25.

Additionally during 2023-24, following on from the issues identified in many schools, we completed surveys of our hospice sites to identify whether there was any Reinforced Autoclaved Aerated Concrete (RAAC) present. The inspections clarified that there was no RAAC present.

Objective Four: We will implement new ways of working across clinical and non-clinical services and day to day operations, both internally and externally.

Advanced Clinical Practitioners (ACPs):

Pilgrims Hospices recognises that workforce sustainability and ensuring the supply of suitably skilled staff, will be key to maintaining a high-quality service into the future. In particular, it has become increasingly difficult to recruit Specialty Doctors due to a shortage of supply across the wider healthcare sector.

In order to address some of these issues, Pilgrims developed Advanced Clinical Practitioner roles, to be recruited in three cohorts, with a total number of nine in post by 2024. The initiative has included opportunities for Trainee Advanced Clinical Practitioners, (those required to simultaneously study for a Master's degree and non-medical prescribing), and this has allowed us to successfully recruit to all nine posts.

Pilgrims has acknowledged the benefit of these posts and now plans to recruit to three Nurse Consultant posts throughout 2024, to further support the Medical team and ensure sustainable clinical leadership for the future. The hospice welcomes the development of a multi-disciplinary senior clinical leadership group.

Electronic prescribing and administration in the three inpatient units:

During the last quarter of the financial year, the hospice prepared for the change from prescribing on paper drug charts to an electronic system called 'e-Works', which is used by over 64 other hospices in the UK. This is a significant change in working practice across the medical and nursing teams in the three inpatient units.

Implementing electronic prescribing in an inpatient unit hospice can lead to a range of benefits, including improved patient safety, operational efficiency, regulatory compliance, data security and overall satisfaction for both patients and healthcare professionals. Significant reduction of drug related incidents is expected, resulting in time saved for line managers. These advantages can contribute to the long-term success and sustainability of the hospice unit.

The introduction of e-Works included not only training and education for all clinical staff, but also review of around 37 affected policies, liaison with EKHUFT pharmacy, adjusting the e-Works product to suit all three hospice sites, and to ensure adequate IT infrastructure was available throughout the hospice sites.

E-Works went live on 2nd April 2024, with a gradual transfer from paper to electronic administration and prescribing, (newly admitted patients were started on e-works). This allowed all clinical staff to gain confidence, detect issues that needed to be addressed as the system was used. The system was successfully embedded over a three week period, with a consistently high throughput in all three hospice units. All patients are now managed on e-Works.

Volunteering:

Volunteers represent a significant segment of Pilgrims' workforce, providing support across all areas of the charity's operations. Volunteer roles are varied, from shop volunteers, to receptionists, to volunteers providing support directly to patients and families.

Throughout the year we have embedded the Ward Volunteer role and developed Expert volunteers for the Wellbeing services. To support the Counselling service, we offer placements to student Counsellors in exchange for some volunteering hours once qualified. Many of these students have become long term counselling volunteers following this.

This year, Pilgrims submitted four nominations to recognise volunteer to the annual Hospice UK awards. Although our nominations were not selected this year our nominees were motivated by the recognition given.

Workforce Engagement

A number of mechanisms are in place to engage with staff and volunteers, including an annual Staff and Volunteer Survey operated by Birdsong Charity Consulting. This survey asks staff and volunteers about their views on a range of topics, provides a comparison with the wider hospice sector, and also provides an overview of how "engaged" respondents are compared to the national average. The results of this survey are summarised and shared with the Board of Trustees and wider organisation.

Pilgrims has a Local Management Team (LMT) in place at each hospice, which considers Claims, Concerns and Issues for their site, and which are in turn escalated to the Senior and Executive Management Teams. LMTs are also the primary method of cascading information across the organisation.

Following delivery of the 2022 survey, LMTs have taken responsibility for discussing the feedback with their local teams and proposing changes to our local workplaces. Key areas of focus highlighted in the survey include communications across sites and teams bringing consistency to local inductions, and providing timely support to each other during periods of high demand for our services. Both local and senior managers are developing plans to support improvements in these areas

The charity has effective policies and procedures for raising and escalating concerns, including the Grievance and Whistleblowing policies.

The Board of Trustees is assured and updated regarding workforce engagement and terms and conditions of employment developments via Board Reports prepared by the organisation's Executive Management Team. Trustees are represented on various committees which oversee aspects of engagement activity, including:

- The Remuneration & Workforce Committee, which considers pay, benefits and employee health & wellbeing and all policy development relating to both our paid and volunteer workforce.
- The Central Health & Safety Committee which is responsible for ensuring that working environments are safe and appropriate for staff and volunteers.
- The Clinical Quality and Governance Committee which ensures staff have the support needed to work safely and effectively.
- The Information Governance Group which ensures staff and volunteer data is protected and used appropriately.
- The Education & Training Group which ensures staff and volunteers have the necessary training and development to fulfil their potential.

“Board Walks”, where Trustees and EMT members tour Pilgrims facilities and speak with staff and volunteers have continued throughout the year, providing accessibility and visibility of the senior leadership team to the wider workforce.

The “Coffee and Cake” initiative where staff and volunteers can meet with the Chief Executive and Chair of Trustees in an informal environment has also continued, with slight changes to its format following feedback from staff and volunteers to make the sessions more accessible.

Our Board Walks and Coffee and Cake initiatives with the Chair and CEO give Trustees and senior leaders an opportunity to meet a wide range of staff and volunteers, to discuss matters raised at Board Sub-Committees and the Board of Trustees’ meeting and see the reality of the day to day operations on all of our sites.

Pilgrims Hospices has established an Equality, Diversity and Inclusion (EDI) group. The Group is represented by staff from all directorates and is responsible for identifying and prioritising equality, diversity, inclusion objectives and working to address related health inequalities affecting delivery and access to our services. The group monitors delivery and implementation of EDI, ensuring compliance with legislation and our statutory obligations including our Public Sector Equality Duty under our NHS Contract which can include making policy recommendations. The group reports to Nominations and Governance Committee biannually.

Our gender pay reports are published in line with the Equality Act 2010, and can be viewed on our website at: <https://www.pilgrimshospices.org/about-us/work-with-us/>.

Human Resources Information System (‘HRIS’) and Payroll Bureau

Due to the increasing cost and limited functionality of the previous HRIS, which had become a legacy product (no longer actively supported), the HR team managed a competitive procurement process to identify and select a new products. “Ciphr” was selected to provide a new HRIS, deliver Payroll Bureau services and Expenses processing. The HR and payroll team, supported by Finance and Business Intelligence, dedicated a large amount of resources this year to the set-up and delivery of these new systems, which went live in October. Further system development continues to expand functionality and simplify some administrative HR and management processes.

Human Resources team restructure

The HR team have taken advantage of turnover within the function this year and have redesigned

the team's shape, recruiting different skills sets to meet the needs of the business. An increase in part-time roles has seen an increase in the quality of candidates applying to join the team and we have now recruited a dedicated support role and payroll specialist role, freeing up the HR specialist to focus on higher-level tasks.

Recruitment Development

A number of changes to our recruitment processes and tools have seen a reduction in vacancies across the organisation this year. Professional recruitment packs and better-targeted vacancy adverts have increased qualified applicants to some key nursing roles and the introduction of pre-screening candidates in quarter four is adding value to the recruitment process and reducing the time required from our managers as they select new staff to join us.

Out of Hours working for Medical Staff

In quarter three, we consulted with our Medical staff to deliver a more effective and consistent out of hours service to support our wards and communities. Consistency in pay and rotas for out of hours working has simplified the administration of the service and has been welcomed by the Medical staff. Doctors are now paid for their out of hours work in line with the other clinical staff. The Community team are better supported by a clinical lead who frequently works in addition to the ward staff and the Medical team can therefore offer more home visits and outpatient assessments on weekends and bank holidays.

Fundraising team restructure

In the first quarter of the year, a new structure within the Income Generation team brought dedicated resource to Trusts and Corporate Donors and also aligned our Legacies work with our Individual Giving and Supporter Relations functions, finding efficiencies and improving consistency of approach to these key income sources.

FUTURE PLANS AND OBJECTIVES

During the last quarter of 2023-24 the Board of Trustees and EMT undertook a strategic review that took into account the achievement of past objectives, current challenges and opportunities and service developments across health and social care. The review saw the development of our three year 2024-27 "For Every Patient, Every Family, Every Time" Strategy. We have sought to build on the strong foundations of our current strategy, whilst being ambitious in our aspirations to further develop our clinical services and widening access to those that need our care.

As part of the strategic review planning process for 2024-25 the Board of Trustees and Executive Management Team reviewed our current strategy and how we can build on this for 2024 – 2027 and in particular focus on:

- Putting the patient and their family at the centre of all we do
- Maximise our influence and reach
- Grow our income to sustain our work
- Drive excellence and innovation through a dynamic workforce

Development of our Clinical Strategy

To support the implementation of our Clinical Strategy a business case was presented and approved by the Clinical Strategy Development Committee, Finance Committee and Board of Trustees for implementation in 2024-25. The initiatives outlined in the business case are summarised below.

Think, Talk, Act (TTA)

Early identification and advance care planning remain key 2024-25 priorities for both Pilgrims and the NHS. Work is in progress with Thanet CIC and the Integrated Neighbourhood Group for the Marshes in rolling out this model, however long term recurrent funding is an issue. An initial TTA team would enable us to be responsive to PCNs that want to pilot the programme and gain long term funding, building the teams as funding allows.

TTA would increase the number of patients who actively plan their care and engage with Pilgrims Therapy Centre (PTC) sessions. There would be a reduction in admissions to the acute trust with a multi provider package of care and support being planned and delivered in their preferred place of care and death.

TTA should engage with at least three times the current number of patients who are in their last year of life, leading to an increase in supporters.

To support development of Advance Care Plans (ACPs) a team of Expert Volunteers will be recruited and trained to work 1-2-1 with patients to develop their ACPs. Any one in east Kent would be able to self-refer to this service. An Expert Volunteer Supervisor will recruit, train and supervise these volunteers.

Development of Inpatient Unit Model

The current Consultant led Model is not sustainable due to pending vacancies and lack of workforce nationally. It is proposed to actively recruit three Nurse Consultants. This will ensure that Pilgrims has long term senior clinical expertise to support the Medical team and allow the Medical senior colleagues to actively support strategic developments. Pilgrims is actively recruiting for a sustainable middle grade medical workforce, following retirement and career progression of several colleagues, with new colleagues starting in August 2024..

Enhanced Community Service Provision

To better support the patient and their families with increasing complex conditions, it is proposed to develop a highly trained team of specialist nurses from Nurse Consultants, Advanced Clinical Practitioners, Clinical Nurse Specialists and Palliative Specialist Nurses.

This will ensure that Pilgrims has a responsive team that can provide specialist advice to patients and Healthcare Professionals, alongside practical clinical skills that will better support patients at home, reducing the need for admission to the acute hospital and enabling patients to remain in their home. They will be supported by the wider medical team, from middle grade speciality doctors to SpR to Consultant level as needed, as well as the other colleagues of the MDT.

Expansion of Stepping Stones Bereavement Service

Since Stepping Stones commenced in 2019, the need has continued to grow, despite the hiatus during the pandemic, where 1-2-1 telephone calls were undertaken instead of face to face group sessions.

Initially set up to support the family and friends of Pilgrims patients and help with demand on our counselling service, this initiative also offered support to families of those who died within the acute hospitals.

116 bereaved people have gained support from our Stepping Stones groups since January 2023 and we understand that there are a great deal of bereaved people across east Kent that would benefit from such support. There is little on offer across the region currently with CRUSE holding waiting lists.

It has always been a service ambition to offer this support to anyone who is bereaved across east Kent. To do this, the service requires some investment to ensure that we can recruit, train and supervise the Expert Volunteers whilst ensuring the co-ordination of the expanding face to face and walking groups. This work has previously been absorbed by senior team members and overtime/time in lieu until we funded a Co-ordinator on a fixed term contract. This post needs to be a permanent post alongside the recruitment of an expert Volunteer Supervisor, who will recruit, train and supervise the operation of Stepping Stones.

Expanding this service to all bereaved people across East Kent would also in turn help increase the number of supporters we have.

Compassionate Communities (building community capacity at the end of life)

The hospice recognises the role we have to play in achieving Ambition 6 of the Ambitions Framework - *Every community is prepared to help, and we will use our knowledge, expertise and position to influence the creation of a compassionate community across east Kent, increasing death literacy and expanding and enhancing community based assets that contribute to supporting people and times of crisis, death and loss.* To implement and co-ordinate the strategy there is a need to invest in some back-fill to allow Head of Psychosocial and Bereavement Services and the Spiritual Care Lead time to deliver this initiative.

Training and Education – PHC Centre of Excellence

To maintain and enhance the quality of patient care, it is imperative to invest in the professional development of the staff. The intention is to recruit a Band 6 Clinical Skills Facilitator to support the development and maintenance of advanced clinical competencies and compassionate care delivery.

The new post will be supported and managed by the Clinical Quality and Education Lead, and will work across the three hospice sites as required, to ensure equity of training across the organisation. This post would also collaborate with other healthcare professionals to provide multidisciplinary training internally and externally.

An external and internal education programme including specific target days, sharing of audit and research and ethical networking days will be the core work of the newly established education centre. In addition it is proposed to have a contingency for the use of flexi lecturers to enable the use of experienced staff who have retired or work reduced hours to deliver specialist education internally and externally.

Statutory Funding

A key objective for Pilgrims remains obtaining equitable, sustainable, statutory funding from the Kent & Medway Integrated Care Board.

During 2023-24, we continued to make good progress with the Integrated Care Board (ICB) who have acknowledged the need for a sustainable funding solution, and have committed to working with Kent and Medway on an appropriate funding model. However, the ICB continue to experience significant financial challenges in funding the many health care providers across east Kent.

Work is expected to continue throughout 2024-25, with a view to a revised grant agreement being put in place from April 2024.

Bed Appeal

In February 2024, we launched a £166k bed appeal to replace all 36 beds across all three of our hospice sites. This appeal is planned to run until Christmas 2024.

Canterbury New Build

In 2014 Pilgrims Hospices was approached by Pentland Homes and the Tory Foundation, offering to provide land as part of the planned Saxon Fields development for a new, purpose-built hospice in Canterbury, as well as a contribution to construction costs. As of 2022 the generous offer tabled by Pentland comprised the freehold title of the land and a £4 million donation. The donation was paid over in 2021-22 but the transfer of the freehold title of the land has yet to be completed. This has been delayed due to issues with the Saxon Fields development which are explained below.

During 2021-22, Pilgrims Hospices' Board of Trustees unanimously agreed to accept the offer from Pentland Homes and the Tory Foundation and to designate the donation to a fund which would help finance the building of the new hospice.

Since then, significant issues have occurred, outside our control, which have impacted the proposal and the expected timeline. We are now aware that housing and commercial developments within the Canterbury area are being affected by concerns about water quality at Stodmarsh Nature Reserve near Canterbury. These concerns have been prompted by new Government guidance protecting the water quality in ground water, lakes and rivers from nitrate pollution. This is affecting new build sites across the UK and not just in east Kent and has paused planned construction on these sites as experts try to design and deliver solutions that will minimise the impact of housing developments on water quality.

We anticipate that this will delay the new build project further, potentially by up to 2 years, and as a result we are currently considering contingency options.

We remain committed to delivering a fit for purpose hospice facility that will provide sustainable hospice care in Canterbury.

Canterbury New Build – Capital Appeal

In support of the new build, Pilgrims Hospices' Income Generation Team will be undertaking a capital appeal to raise in excess of £2 million to fund the fit-out costs of the new build. When the capital appeal is launched, it is expected that it will run for a period of 3 years.

London Road Development

As it is anticipated that the Canterbury new build project is likely to be stalled for some time, the impact of this will be that we will need to maintain the existing operation at the site in London Road many years beyond what had originally been intended.

It was felt by the Trustees to be crucial to ensure that the existing hospice site should remain safe and compliant by completing a range of proactive work in key areas to improve the fabric of the site. This work will be completed during 2024-25.

In addition to completing this work, the charity has committed some additional funds to be spent in the main hospice building to improve the patient and visitor experience and clinical effectiveness.

We are currently working with the clinical team to develop plans for a number of projects that we anticipate being delivered throughout 2024-25.

Canterbury Appeal

The Income Generation Team will be working closely with the Non-clinical Operations Team to raise funds to support improvements to our Canterbury hospice, as noted above. Potential projects are creating a Patient and Family Support Room, introducing air conditioning to the inpatient unit and updating the single patient rooms.

Thanet Hospice Refurbishment

Prior to the pandemic, Pilgrims was planning a large-scale refurbishment of our Thanet hospice. This project was put on hold due to the pandemic.

In the medium-term, the refurbishment work is still important, as the building is over 30 years old and has the layout and features of a typical NHS facility. The demand for Pilgrims' services is continuing to grow and the type of care required has continued to change. Learning has also been taken from the COVID-19 pandemic, which has resulted in radical changes in operational best practice, and which will be incorporated into a refurbishment.

Recognising that a full refurbishment may still be some way off, the charity has committed funds in the short term to improve the environment for patients, carers, visitors, staff and volunteers. Work on an 18 month project to improve our Thanet hospice started during 2022-2023 and three projects were completed in that year

A further three were completed in 2023-24. These were:

- Balcony improvement project that now allows patients to enjoy the outside space on their bed, protected from the weather and with heating provision.
- Alterations to our Therapy Centre reception space, making it more welcoming and comfortable.
- The renovation of two patient rooms to make them feel more homely and modern

The work completed so far is already making a significant difference to the patient and visitor experience on the site.

Given the impact delivering these projects has had, the charity has committed further funds over the next two years to continue the improvements across the site.

STRUCTURE & GOVERNANCE

Pilgrims Hospices is governed by a Board of Trustees numbering not less than five and not more than eighteen. As at 31 March 2024 there were eight trustees, following the resignation of Stefano Cuomo earlier in March 2024. The Board of Trustees governs in accordance with the Articles of Association and Trustees bring relevant experience and skill sets from a variety of sectors, as determined by a regular skills audit, from which recruitment is driven. Over the period of this report, the sectors include, for example, clinical, business and legal experience

New Trustees are appointed initially by the Board following a formal process which includes interviews by the Nominations and Governance Committee and by the Chair leading to a recommendation by the sub-committee to the full Board. Applicants are sought from publicly advertised vacancies. Successful applicants are subject to election by the Members at the next Annual General Meeting following their appointment. Procedures are in place and regularly reviewed for Trustee induction and development. Trustees are required to complete mandatory training and a full induction to the charity is given to new trustees on and shortly following their appointment.

Trustees are appointed for an initial three-year term and may be re-appointed for two further three-year terms. A Trustee who has served for 9 years can only be re-elected by unanimous resolution of the members and for a term not exceeding 2 years.

The Board normally meets four times a year to review strategy and performance and is supported in its work by a number of trustee-led sub-committees.

The Board recognises that good governance is essential for the success of the charity and has made good progress in developing its governance policies and practices in line with the principles set out in the Charity Governance Code for larger charities. The Nominations and Governance Committee continues to review progress with the full implementation of the Code through an action plan developed from the diagnostic tool made available from the Charity Commission.

Committees

Board committees have delegated powers of responsibility but executive authority is retained by the Board. They are chaired by a Trustee, have written terms of reference and provide linkage to

the main Board and support to senior management. Trustees are selected as committee members having regard to their skills, knowledge and expertise and committees may include appropriately qualified individuals (thinking partners), who are not trustees, co-opted from outside the charity. Members of the Executive Management Team also attend committee meetings relevant to their professional area of expertise. Each Committee reports to the Board on any major issues discussed, with recommendations where decisions are required. Minutes of Committee meetings are circulated to the Board as a whole and each Committee identifies areas for consideration by other committees thus ensuring no Committee works in isolation.

The Finance Committee oversees the finances of the charity and its subsidiary company. It is responsible for reviewing and recommending to the Board the financial strategy along with the annual budget and monitors performance against these. The Committee also oversees the strategy for investing funds and keeps the Board informed of relevant general changes in the financial environment. It reviews risk plans and corporate risks relating to finance, investment and audit.

The Income Generation Committee supports all fundraising activities of the charity, as well as communicating the hospices' vision, mission, and services to patients, carers, healthcare professionals and the public. It reviews the fundraising plans and retail strategies before referring them to the Board for approval, as well as monitoring risks relating to Pilgrims' income generating activities.

The Clinical Quality and Governance Committee provides oversight and assurance to the Board of Trustees that the clinical compliance and regulatory standards in our contracts with the ICB and Care Quality Commission are met. It ensures that the Clinical and Nursing and Care Services delivered by Pilgrims Hospices are subject to continual and regular review and improvement, and that the safety and care of the patients is a priority for all staff. The Committee monitors and reviews matters of escalated clinical governance and quality assurance activity and processes. It explores learning outcomes and opportunities and ensures adequate assurance on the implementation of key control and action plans in response to trends and anomalies in data reporting. The Committee reports directly to the Board of Trustees on matters as appropriate.

The Major Projects Committee considers the current and future real estate requirements of Pilgrims Hospices and progresses the proposed projects in line with the strategy and budget approved by the Board of Trustees. The Committee considers the current and future operational needs of Pilgrims Hospices and how these needs could best be addressed.

The Remuneration and Workforce Committee reviews terms and conditions of employment, sets overall remuneration policy and oversees the development of workforce strategy. The Committee recommends annual pay awards to the Board of Trustees as well as monitoring risks relating to Pilgrims' workforce, recruitment and retention.

The Nominations and Governance Committee considers the corporate governance of the hospice. It reports to the Board of Trustees on any changes that may need to be made in order to comply with legal and regulatory requirements. It reviews the Board's skills mix and capabilities and makes recommendations on nominations for new membership to underpin the Board's capability and diversity and to provide robust governance and directorship of the hospice.

The Clinical Service Development Committee considers the development of clinical service proposals and service redesigns in line with the charity's agreed clinical strategy. The Committee ensures that any service development takes place in line with Pilgrims' charitable objectives and is sustainable from both a financial and service perspective. The Committee considers the needs of all stakeholders when developing service proposals and monitors risks relating to both service development and the wider Health and Social Care environment.

The Chief Executive and the Executive Management Team have delegated authority to manage the charity's operations on a day to day basis, within the annual budget approved by the Board of Trustees. They have the specific skills and experience to enable them to fulfil their roles and report progress on this at the quarterly Board meetings and through financial reports to the trustees.

In addition, the Executive Management Team meet formally quarterly to review all activity and adherence to the overall business plan. The output of these meetings and discussion points are disseminated throughout the business at regular management meetings. There is a flow of communication throughout the organisation which is cross functional and cross site with local issues managed at Local Management Team meetings. Issues can be escalated to the Executive Management Team and, where relevant, to the Board of Trustees. In addition, there are regular functional specific meetings with reviews of critical activity. This, together with additional weekly operational meetings, ensures that there is a robust management of the day to day running of the hospices.

Remuneration

The remuneration of key personnel is reviewed on an annual basis by the Remuneration and Workforce Committee, as part of its review of salary levels across the charity. This review ensures that remuneration is competitive within the charity and healthcare sector. The Committee considers a range of factors including increases in the national cost of living and the position of comparable organisations and wider healthcare and charity sector, as well as the current financial position of Pilgrims Hospices and the affordability of any increase. Every three years Pilgrims Hospices undertakes a full review of the duties, responsibilities, level of expertise and salaries of all posts across the charity. This information is compared with the lower quartile to median salaries of comparable posts for organisations with a similar overall income in the Third sector.

In 2023-24, two separate pay awards were made. Firstly, a fixed percentage to all staff at the beginning of the year, and then a second increase was awarded to Medical Consultants in October, as a response to pay rates increasing in the NHS (being our primary source of pay benchmarking in the healthcare sector).

A “trivial benefit” in the form of a gift voucher was awarded to all staff before the Christmas holiday period and was received very favourably again, with staff feeling valued and motivated by the gesture.

The introduction of an Overtime Policy on our wards has increased the pick-up of vacant shifts by our employees and has seen a reduced demand for agency workers, who are both expensive and unfamiliar with the Pilgrims ways of working.

Trustee Responsibilities

The Trustees (who are also Directors of Pilgrims Hospices in East Kent for the purposes of company law) are responsible for preparing the Trustees’ Annual Report (including the Strategic Report) and the group 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 charity and the group and of the incoming resources and application of resources, including the net income or expenditure of the group for the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with

reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006.

Fundraising practices

The Charities (Protection and Social Investment) Act 2016 requires Pilgrims to provide extra information in its annual report about its fundraising activities. In particular, any agreements with professional fundraisers or commercial participators as well as providing information on compliance with voluntary fundraising regulations.

We are committed to following the highest ethical standards and ensuring a quality supporter experience. We have detailed policies and procedures in place that align with fundraising practices and guidance that are set by the Charity Commission, Fundraising Regulator and Gambling Commission.

This helps ensure all Pilgrims fundraisers, and those who work on our behalf are aware of, and adhere to, our high standards. Some of our fundraising activity is conducted on our behalf, by carefully selected professional fundraising agencies. We occasionally work with agencies to telephone existing supporters to talk about their donation and, on some occasions, to ask for a further donation. We monitor their work through call listening.

The charity is also mindful of the General Data Protection Regulation (GDPR) and has a Privacy Policy and a named Data Protection Officer. Pilgrims uses a Customer Relationship Management (CRM) systems to record all donations to ensure appropriate levels of communication are maintained. Fundraising activities are monitored by a team of managers, the Director of Income Generation and Marketing, the Chief Executive Officer, the Income Generation Committee and the Board of Trustees.

During the year there were no incidences of non-compliance with fundraising and voluntary regulations set by the Fundraising Regulator. Pilgrims Hospices Complaints Register recorded 10 complaints from the general public, in relation to its income generation activities, all complaints were resolved satisfactorily.

Business relationships with suppliers

Having good business relationships helps to ensure the smooth running of the charity and Pilgrims is committed to establishing fair working practices with all suppliers, whilst delivering best value for the beneficiaries of the charity. The charity regularly reviews contracts with key suppliers and their performance in delivering the purchased goods and services. Payment terms are agreed with all business partners and where appropriate Service Level Agreements (SLA) are used. Pilgrims' Retail staff and volunteers are provided with training in customer service, handling complaints, and how to deal with difficult situations to assist them in providing the best service possible to customers. Refunds are provided for all goods returned within 14 days in the same condition as when sold, no matter what the reason for return. The charity recognises that sometimes things go wrong and Pilgrims Hospices has established a Complaints Policy for use by any individual about any aspects of the charity's services or work (for example staff, volunteers, patients, carers or members of the public). The policy is governed by a process which ensures all complaints are reviewed and addressed appropriately which is also published on the Pilgrims Hospices website.

ENVIRONMENT

Pilgrims Hospices recognises that the protection of the natural environment and establishing an environmentally sustainable model of operation is essential to the long-term welfare of the charity's beneficiaries and the wider community. Pilgrims is committed to minimising its impact on the environment, including through reducing energy consumption, maximising opportunities for recycling and making sustainable procurement decisions.

In addition to environmental benefits, increasingly sustainability provides direct and indirect financial benefits, primarily through reduced costs, but also through an increased and positive reputation.

In 2022-23 we introduced our first Environmental & Sustainability Strategy to support our policy.

The 3 main pillars of the strategy are:-

- Energy & Water Management
- Waste Management
- Travel Management

These pillars are supported by two key foundations – the culture of our staff and volunteers and the investment that may be required to deliver the strategy.

Sustainable Energy

At the end of 2022-23 we undertook a project to install 116 solar panels at our Ashford Hospice site. The cost of this project was funded by two extremely generous donations.

This was our first sustainable energy project. It is anticipated that this project will provide around 20% of the Ashford hospice's electricity usage and will save 10.43 tonnes of CO2 emissions. This is equivalent to planting 479 trees a year for the duration of the 25 year life span of the solar panel system.

In 2023-24 we continued to expand our sustainable energy approach by installing a 66 solar panel system at our Thanet hospice site. Once again, as with the installation of solar panels at our Ashford hospice, we were fortunate enough to have the cost of the installation funded through a very generous donation.

As part of our Environmental & Sustainability strategy we will continue to look for other opportunities to expand our use of sustainable energy.

Energy

Pilgrims uses energy in the form of gas, electricity and fuel for vehicles. Much of the charity's energy consumption relates directly to activity, and therefore overall levels of energy use have historically trended up as the overall level of activity the organisation undertakes has increased. However, the charity is working to mitigate the impact of increased activity through investments in energy efficiency such as sustainable energy projects, LED lighting and insulation, as well as encouraging the adoption of energy-conscious behaviours, such as vehicle sharing and these approaches can be directly linked to the reduction in gas and electricity usage in 2023-24.

Audit

During 2023-24 we undertook a number of external energy audits on our hospice and retail sites to better understand our energy efficiency and identify what improvement opportunities there were.

We completed Phase Three of the Energy Saving Opportunity Scheme (ESOS) at a range of sites across our estate. ESOS is an ongoing piece of UK legislation which was designed to help the UK lower its carbon emissions and comply with European legislation passed in 2010.

In addition to ESOS we completed Net-Zero audits at our main hospice sites in Thanet and Ashford.

A number of opportunities have been identified to improve our energy efficiency and these will be prioritised and actions taken to address these in the coming months and years.

Reducing Waste

Pilgrims Hospices has comprehensive waste management contracts which ensure that the charity can maximise the volume of waste material which can be recycled, limiting material that ends up in landfill or incineration.

In addition to general waste management, specific recycling programmes have been put in place for both metal and used cooking oil, which see these materials sold for re-processing. In addition to being environmentally sustainable, these programmes are also income generative, realising funds to support the charity.

The organisation's extensive network of charity shops also support sustainability locally, providing an avenue for local residents to donate their unwanted personal possessions, diverting many of these items from household waste streams.

During 2023-24 we continued to explore a number of waste reduction schemes that included:

- Recycling our kitchen waste oil which is turned into bio diesel.
- Removing all single use plastics from all areas of the organisation.
- Created stronger links with local organisations/food suppliers who donate many free food products, which reduces costs and the mileage footprint of our catering operation.
- We now have kitchen gardens on all our hospice sites. These gardens are providing the hospice with fresh, seasonal produce throughout the year.
- We have introduced paper carrier bags across our retail operation.

Streamlined Energy & Carbon Reporting:

The Streamlined Energy and Carbon Reporting Regulations require Pilgrims to make the following disclosures in relation to energy consumption.

This is the fifth year that the charity has collected this data and the below table provides a comparison to the 2022-23 data. This comparison shows an overall a decrease in overall energy usage for 2023-24, mainly due to the introduction of renewable energy approaches at two of our heavy usage sites and improved energy reduction focus. However our travel usage has increased due to continuing the extension of our community work and continued retail growth.

The organisation achieved Phase Three ESOS compliance in March 2024 and has taken significant steps towards reducing energy use across our estate, ranging from LED lighting solutions to major renewable energy projects.

While some opportunities do exist to reduce energy use and drive energy efficiency, these are limited. Specifically, the sites which would benefit most from investment in energy are sites where such investment is not commercially viable, including or shops which are occupied on short-term leases and where Pilgrims is not responsible for the fabric of the building. It is also anticipated that developments across the organisation may increase overall energy during the medium-term, including an increase in community-based clinical activity, and continued expansion of the retail logistics division.

Energy usage in 2023-24 and comparison to 2022-23

Measure	2023-24	2022-2023	% Change
Gas Usage CO2e	304.3	329.4	-7.6%
Gas use intensity KWh per m2	200.5	214.9	-6.7%
Gas use intensity CO2e per m2	36.6	39.6	-7.6%
Electricity usage CO2e	170.9	189.1	-9.6%

Electricity use intensity kWh per m2	80.1	86.4	-7.3%
Electricity use intensity CO2e per m2	16.6	18.3	-9.3%
Travel Data CO2e	137.5	115.5	19.0%

Notes on Preparation:

The above data includes all Scope One and Two emissions as defined by the Greenhouse Gas Protocol. Scope Three emissions relate to emissions generated by third parties, are largely beyond Pilgrims Hospices' control and sit outside of the SECR requirements, and as such have not been included in the above figures.

Greenhouse gas (GHG) emissions have been calculated using the UK Government GHG Conversion Factors for Company Reporting 2023. Condensed carbon conversion factors dataset and emissions are presented in tCO2e (tonnes (t) of carbon dioxide (CO2) equivalent (e). For buildings, an energy intensity metric of kWh per m2 has been identified as the most appropriate measure, using data from annual energy bills. When calculating intensity ratios for gas, only premises with an installed gas supply were included when calculating the total square metres used.

The above reported figures do not include usage for premises where the organisation has service agreements and/or is not charged for energy usage as a tenant due to a lack of access to this data.

Information regarding the size or type of fuel used in employees' personal vehicles is not available. CO2e has therefore been calculated for claimed mileage, using the "average" personal vehicle and "unknown" fuel types.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees regularly assess the risks and uncertainties to which the charity is exposed. The approach to risk is in accordance with a Risk Management Policy. A formal risk register is in place and the Trustees have adopted a risk management strategy whereby those risks are identified, the level of risk is assessed and systems for ameliorating them are put in place and regularly reviewed. The Board of Trustees reviews the risk register at their quarterly meetings.

The risk register is reviewed quarterly at a meeting of the Executive Management Team and each member thereof, in turn, is responsible for managing identified risks, identifying further risks and reporting these upwards to the Trustees for review. Sub-committees of the Board of Trustees, whose members comprise those with the skills and knowledge specific to the risks under review, report regularly to the Board as described above.

The risk register captures and categorises the risks across five broad areas of Pilgrims' activities namely, governance, operational, financial, external and environmental. The overriding risk to Pilgrims is the inability to deliver its mission statement, but this risk will have causal risks arising in the five areas noted above.

Financial risk includes the loss of income arising from a loss of reputation and the Trustees also recognise that the charity relies on two material amounts of funding arising from legacies and the NHS grant. Action is being taken to encourage the continued flow of legacies. At the time of writing, the key financial risk was in securing adequate levels of statutory income. Pilgrims maintains a strong relationship with the NHS to secure the continuance of the grant, and is in discussions with Commissioners, along with other local area hospices, to determine an appropriate level of funding apportioned to those providing end of life care, in line with Commissioning Frameworks. However, although there has been regular engagement with Commissioners during 2023-24, the funding pressures experienced by the Integrated Care Board have prevented Commissioners from being able to confirm funding arrangements for future years beyond 2024-25.

Operational risks at this time include the difficulties in being able to recruit and retain suitably qualified staff and volunteers and this particular risk is also faced by many parts of Health and

Social Care. Currently Pilgrims has a near full complement of clinical and support staff. There are however continued challenges in recruiting Consultant grade doctors and specialist registered nurses, reflecting a national problem amongst hospices providing end of life care due to the scarcity of doctors at this level in this area of specialism and the scarcity of qualified nurses.

Workforce risks have a knock-on effect on other operational risks, in that they impact on the provision of appropriate, safe levels of staffing and also on health and safety practices more generally. For the time being there are no concerns over safe staffing levels but the Board and the Executive Management Team continue to monitor the situation.

The heightened threat from cyber-attacks means that cyber security and the maintenance of secure IT services is now a ubiquitous risk in the risk register.

As work progresses on the project to build a new hospice at Canterbury, risks relating to this project are now beginning to feature more prominently in the risk register.

RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

None of the Trustees receive remuneration or other benefit from their work with the charity. Trustees are able to claim any reasonable out-of-pocket expenses, incurred in the course of conducting the charity's business.

Trustees and senior managers are required to declare any interests that they may have outside of the charity. Transactions and contractual relationships with related parties must be disclosed.

Pilgrims Hospices in East Kent has three wholly owned subsidiaries. All are registered in England, are limited by share capital and have as their registered office 56 London Road, Canterbury, Kent CT2 8JA. Two of the subsidiaries are now dormant and the third operates as a trading company, transferring its taxable profits to Pilgrims Hospices in East Kent.

Hospice Shops Limited (No. 1623758, director K Warden) is now a dormant company.

Pilgrims Hospice Lottery Limited (No. 3130167, director K Warden) is now a dormant company.

Pilgrims Hospices Trading Limited (No. 07993259, director K Warden) handles the taxable trading activities of the charity, other than the running of the charity shops, and, along with the charity, is registered for VAT under a group registration scheme.

The charity is registered with a number of regulatory bodies, including the Charity Commission, Care Quality Commission, Fundraising Regulator, Gambling Commission and Information Commissioner's Office.

The charity is a member of Hospice UK, an umbrella body which supports hospices throughout the UK.

FINANCIAL REVIEW

The Statement of Financial Activities for the year is set out on page 35 of the financial statements. A summary of the financial results and the work of the charity is set out below. Note 22, which supports the Statement of Financial Activities on pages 62 to 64, shows how funds have been received and applied during the year.

During the year under review, the net movement in funds was a surplus of £1.687 million after investment gains of £891k compared to a surplus of £912k, after investment losses of £313k, in the previous year.

Our income generation activities from donations and legacies raised £5.024 million (2022-23: £4.745 million) representing an increase of £279k compared to 2022-23, The result in 2023-24 is a notable achievement from the Pilgrims fundraising teams and builds on a good result from the previous year.

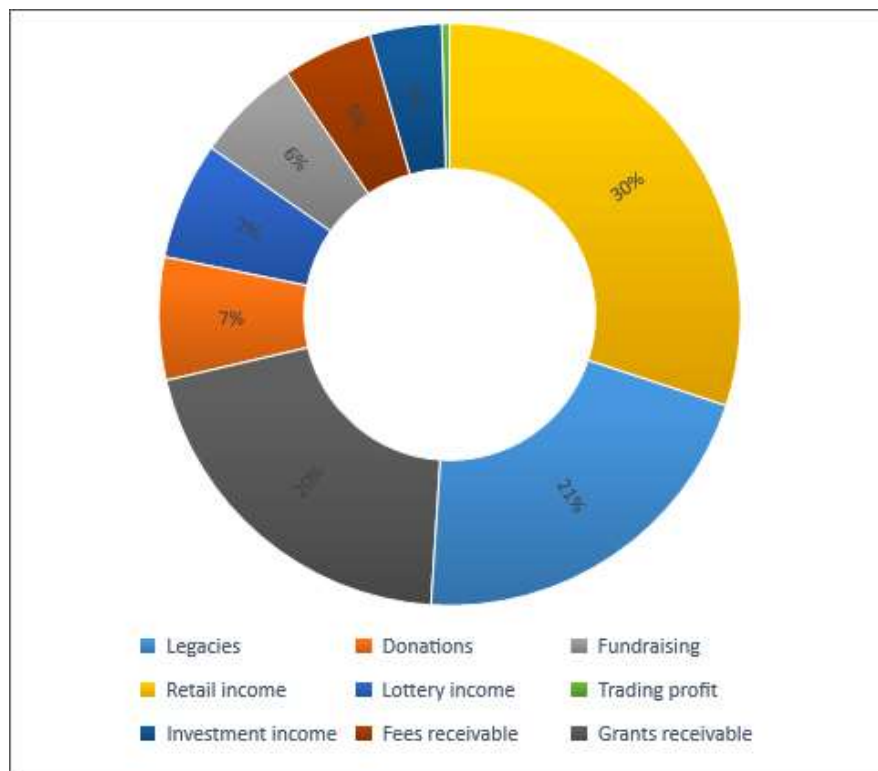
Legacy income was just under £3.8 million for the year. This was £400k higher than the figure for 2022-23 and a very good result and continues the well above average annual legacy income earned pre-pandemic.

The Retail operation, as mentioned above, performed exceptionally well during 2023-24. The Retail operation delivered a profit of £2.3 million on income of £5.4 million compared to net profit of £2.3 million on income of £5.1 million in the previous year. This was a good result in the face of continued difficult trading conditions in the high street and increased staffing costs as a result of the introduction of the new National Minimum Wage rates in April 2023, as well as the recruitment of some additional Retail posts.

The Lottery remained strong with a turnover of just under £1.2 million and produced a net profit of over £650k. This was £90k lower than in 22-23, however in that year expenditure decreased by over £100k mainly as a result of a national shortage of canvassers to recruit new Lottery players.

The grant from the local NHS Integrated Care Board (ICB) under a service funding agreement amounted to £3.7 million, approximately 21% of total running costs. From April 2023 onwards, some further funding was provided by the ICB for additional beds across the three sites, under a winter beds arrangements to free up capacity in the local hospitals. This funding ceased after August.

Set out below is a chart showing how diverse our sources of income are, but also demonstrating that in 2023-24 retail income comprised the largest percentage.



Overall expenditure rose by 11.5%, from £15.515 million to £17.294 million. The increase was in the main the result of staffing cost increases, including the introduction of the new National

Minimum Wage rates from 1 April. The Executive team increased by one staff member, with the appointment of the new Medical Director. Prior to this the post had been occupied by a colleague of secondment from EKHUFT. Furthermore, increases in clinical staffing were implemented to keep in step with NHS rates introduced in the year. As well as these rises, utility costs also increased significantly in the year and the refurbishment projects at the Thanet hospice also added to expenditure in the year.

The investment portfolio performed strongly in the year, earning an unrealised gain of £795k. The value of our investment properties also increased in the year, by £96k.

Reserves Policy

The Trustees review their policy each year. In conducting their review they take into consideration best practice and the guidance issued by the Charity Commissioners.

In considering the reserves position, the Trustees review:

- that provision of this type of care involves ongoing running costs, currently in the region of £12.8 million per year, around two thirds of which has to be derived from voluntary sources;
- over 85% of this amount is directly invested in providing these services;
- there is a requirement to provide assurance to those who give so generously that the Trustees will be able to continue to provide patient care to meet the ever more demanding needs of the community;
- the income generation activity has an annual cost to the charity of approximately £4.5 million and accordingly we need to generate approximately £17.3 million per year, in a normal year.

The charity has the following categories of reserves:

Designated Reserves

'Fixed assets fund' holds the fixed assets used by Pilgrims to provide the facilities for the patients, their families and carers. Designated reserves include the Canterbury Hospice Fund, which was been set up in 2021-22 as a fund into which was placed a donation of £4 million from Pentland Homes and the Tory Foundation. Trustees have designated this donation as funding with which to design and build a new hospice in Thanington. Other income funds raised specifically for the project will also be allocated to this fund.

Restricted Reserves

These are reserves only available for expenditure in accordance with the donor's directions.

Revaluation Reserves

These represent the accumulated gains in revaluation of investment properties.

Free Reserves

These are retained by the Trustees to give assurance to those who use Pilgrims' services and those who give of their time and money, that the Trustees will be able to sustain their commitment to provide specialist palliative care services to patients and support to their families and carers. The reserves are set at a level to withstand any short-term setback, whether operational, in the investment markets, or in key sources of income such as legacies. Liquid free reserves at 31 March 2024 stood at £16 million (2023: £14.6 million) which includes £9,275,000 (2023: £8,471,000) invested in quoted investments but excludes designated funds and £4,400,000 (2023: £4,300,000) in investment properties. The Trustees have agreed that the total of free reserves, i.e. those that are not used in the day to day operation of the charity, must be sufficient to cover around five to six months operating expenditure and in the light of the uncertainties experienced during the coronavirus pandemic, the Trustees consider this level of reserves to be appropriate.

The Trustees recognise that the actual level of free reserves carried to date is significantly higher than the agreed minimum. However, they consider that in the present circumstances of a difficult economic climate, with energy costs still high, together with uncertainty over the level of funding Pilgrims can expect from the Integrated Care Board, at the point the charity is about to embark on a

major capital project, maintaining a sizeable level of free reserves is prudent and necessary in order to be certain that Pilgrims can maintain a high standard of patient care.

INVESTMENT POLICY AND PERFORMANCE

At the end of the year there was £11,868,000 (2023: £10,903,000) available in cash and near cash, (in the form of short terms investments). At current financial levels of expenditure the charity requires on average around £1.4 million per month to cover running costs, including fundraising costs. However, when the need arises, the charity is able to liquidate medium term investments very quickly. As at the 2023-24 year end, the balance of the reserves is held in a portfolio comprising properties, government and other fixed interest securities and equities. The Trustees recognise the need to spread the investment risk in managing the reserves. They also acknowledge that investments should look to take into account, where possible, social, environmental and ethical considerations. For this reason the Trustees have stipulated that there should be no direct investment in tobacco manufacture and armaments production.

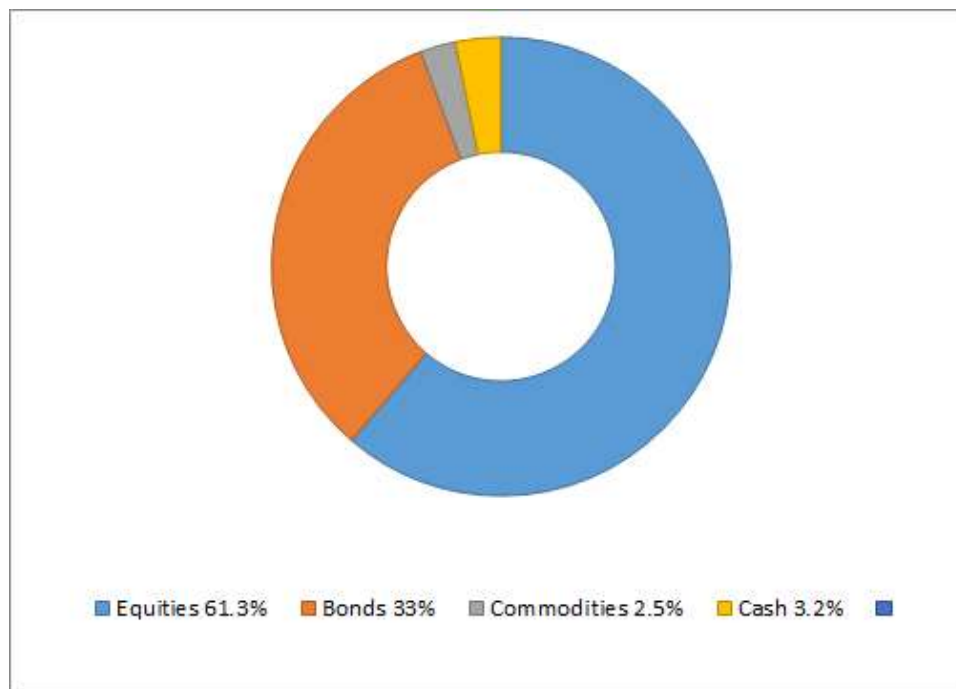
The investment properties comprise residential properties that the charity has inherited or acquired and which the Trustees retain, having taken appropriate advice, as they provide potential for capital growth and income. The Trustees are confident that, having taken advice, the carrying value of the properties at £4.4 million, a surplus of £2.9 million over acquisition value, is an accurate reflection of their market value as at 31 March 2024.

The general investment policy for the investment portfolio, adopted by the Trustees and managed by the investment advisers, Coutts & Co, is to grow the investments above inflation whilst receiving an income, in the context of achieving these objectives in a time horizon of 5 to 8 years and within a risk category of medium to medium high. The Coutts portfolio manager actively monitors portfolio volatility and discusses the risks with Trustees at regular portfolio meetings.

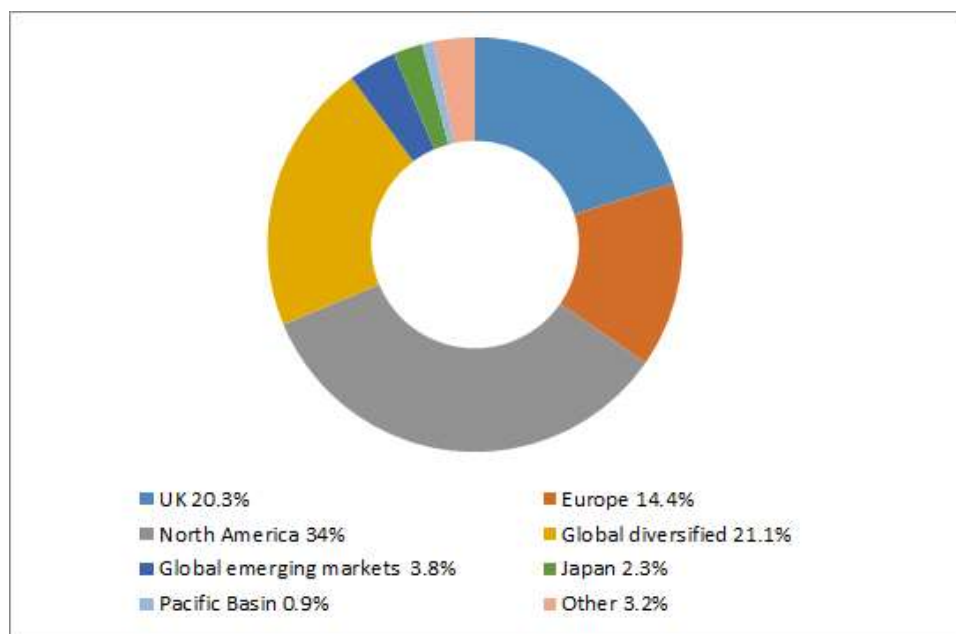
Coutts report that in the 12 month period to 31 March 2024 the weighted net return on the portfolio was a 11.81%, compared to a negative return of 5.2% for the 12 months to 31 March 2023. This result was 1.6% ahead of the portfolio benchmark, which returned 10.2% to 31 March 2024. It should be noted that the benchmark result does not include the cost of investing in its return figures.

The portfolio lost value over the summer and early autumn as markets were anxious about inflation remaining stubbornly high and the deteriorating situation in the Middle East and the Red Sea. Towards the end of 2023 and into the first quarter of 2024, market sentiment improved as it was clear that inflation had peaked and the prospect of interest rate cuts appeared possible later in 2024. There were still concerns about the conflict in Gaza and Lebanon potentially escalating wider than those countries, but diplomatic efforts to contain the conflict appeared to limit that prospect. As a result, the value of the portfolio increased significantly over this period and finished the year very strongly, more than delivering the budgeted return for the year.

The asset distribution of the investment portfolio as at 31 March 2024 is set out below:
Asset class distribution.



Geographic distribution



Change in investment advisors

During the year, Pilgrims undertook a review of its investment advisors, as Coutts & Co had been the charity's advisors since the early 2000s. Following that review, the Board decided to appoint Rathbones as the new advisors and the transfer of the funds in the portfolio held with Coutts & Co began in April 2024.

STATEMENT OF DISCLOSURE TO THE AUDITORS

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

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

Charity Website

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

This report, including the Strategic Report, was approved by the Trustees, in their capacity as company directors on 3 October 2024 and signed on behalf of the company by:

Karen Warden
Chair

Opinion

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

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

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

- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

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

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act

2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

24 October 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

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

Pilgrims Hospices In East Kent

Consolidated Statement of financial activities (incorporating income and expenditure account) For the year ended 31 March 2024

	Note	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:					
Donations and legacies	3	1,461	3,563	5,024	4,745
Charitable activities	4	-	4,583	4,583	4,122
Other trading activities	5	19	7,743	7,762	7,477
Investments	6	-	721	721	396
Total income		1,480	16,610	18,090	16,740
Expenditure on:					
Charitable activities:	8				
Fundraising costs		-	4,530	4,530	4,094
Investment management		-	96	96	52
Charitable activities		1,383	11,285	12,668	11,369
Total expenditure		1,383	15,911	17,294	15,515
Net income before net gains/(losses) on investments		97	699	796	1,225
Net gains/(losses) on investments		-	891	891	(313)
Net income		97	1,590	1,687	912
Transfers between funds	22	(81)	81	-	-
Net movement in funds		16	1,671	1,687	912
Reconciliation of funds:					
Total funds brought forward		376	31,074	31,450	30,538
Net movement in funds		16	1,671	1,687	912
Total funds carried forward		392	32,745	33,137	31,450

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 39 to 68 form part of these financial statements.

Consolidated balance sheet
As at 31 March 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	14	8,323	8,315
Investments	16	9,275	8,521
Investment property	15	4,415	4,319
		22,013	21,155
Current assets			
Stocks	17	24	15
Debtors	18	760	3,869
Investments	19	8,657	3,500
Cash at bank and in hand		3,211	7,403
		12,652	14,787
Creditors: amounts falling due within one year	20	(1,528)	(4,492)
Net current assets		11,124	10,295
Total net assets		33,137	31,450
Charity funds			
Restricted funds	22	392	376
Unrestricted funds	22	32,745	31,074
Total funds		33,137	31,450

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Karen Warden
Chair
Date: 3 October 2024

The notes on pages 39 to 68 form part of these financial statements.

Company balance sheet
As at 31 March 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	14	8,323	8,315
Investments	16	9,275	8,521
Investment property	15	4,415	4,319
		22,013	21,155
Current assets			
Debtors	18	798	3,877
Investments	19	8,657	3,500
Cash at bank and in hand		3,132	7,353
		12,587	14,730
Creditors: amounts falling due within one year	20	(1,518)	(4,484)
Net current assets		11,069	10,246
Total net assets		33,082	31,401
Charity funds			
Restricted funds	22	392	376
Unrestricted funds	22	32,690	31,025
Total funds		33,082	31,401

The Company's net movement in funds for the year was £1,681,000 (2023 - £911,000).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Karen Warden

Chair

Date: 3 October 2024

The notes on pages 39 to 68 form part of these financial statements.

Pilgrims Hospices In East Kent

Consolidated statement of cash flows For the year ended 31 March 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash used in operating activities	25	544	2,118
Cash flows from investing activities			
Dividends, interests and rents from investments		721	396
Purchase of tangible fixed assets		(341)	(126)
Proceeds from sale of investments		4,564	4,504
Purchase of investments		(4,523)	(5,472)
Proceeds from sale of investment property		-	(45)
Net cash provided by/(used in) investing activities		421	(743)
Change in cash and cash equivalents in the year		965	1,375
Cash and cash equivalents at the beginning of the year		10,903	9,528
Cash and cash equivalents at the end of the year	26	11,868	10,903

The notes on pages 39 to 68 form part of these financial statements

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

1. General information

Pilgrims Hospices in East Kent is a charitable company limited by guarantee and is incorporated in England.

The registered office address is 56 London Road, Canterbury, Kent, CT2 8JA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

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

The financial statements are presented in sterling which is the functional currency of the Charity, and are rounded to the nearest thousand.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet.

A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

2.2 Public benefit entity

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

**Notes to the financial statements
For the year ended 31 March 2024**

2. Accounting policies (continued)

2.3 Going concern

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

Free reserves stand at eleven months of ongoing expenditure. The cash flow forecast and current budget projections indicate that Pilgrims has sufficient funds to finance itself during the next 12 months, from the date of signature of the accounts.

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

2.4 Income

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

Legacies are reviewed on a case-by-case basis. For pecuniary legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, and the amount receivable can be measured reliably, and the receipt is probable; or when a distribution is received from the estate. For residuary legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

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

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

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

2.5 Expenditure and irrecoverable VAT

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

**Notes to the financial statements
For the year ended 31 March 2024**

2. Accounting policies (continued)

2.5 Expenditure and irrecoverable VAT (continued)

Expenditure on charitable activities includes the costs of providing care and educational activities undertaken to further the purposes of the charity and their associated support costs

Other expenditure represents those items not falling into any other heading

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

2.6 Interest receivable

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

2.7 Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support costs are the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function.

Fundraising support costs are the support costs directly attributed to the Lottery and Retail departments of the charity.

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

Support and governance costs are re-allocated to each of the activities according to the proportion of total direct costs attributable to each of those activities.

	Support	Governance
	%	%
In patient	66	78
Community services	12	14
Counselling	5	6
Information and education	2	2
Governance	15	

2.8 Tangible fixed assets and depreciation

Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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

**Notes to the financial statements
For the year ended 31 March 2024**

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

Freehold property	- 50 years
Long-term leasehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 4-5 years
Computer equipment	- 5-10 years
Freehold land	- not depreciated

2.9 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries are valued at cost less provision for impairment.

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Fair value is determined annually by the Trustees based on advice received. Any change in fair value is recognised in 'net gains/(losses) on investments' in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

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

2.12 Cash at bank and in hand

Cash at bank and 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.

**Notes to the financial statements
For the year ended 31 March 2024**

2. Accounting policies (continued)

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.14 Financial instruments

The Group 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.

2.15 Operating leases

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

**Notes to the financial statements
For the year ended 31 March 2024**

2. Accounting policies (continued)

2.16 Pensions

The Group operates a defined contribution pension scheme open to all employees. However, certain employees are already members of professional pension schemes to which Pilgrims Hospices in East Kent continues to make contributions as their employer. The pension costs charged in the financial statements represent the contributions payable by the Group during the year.

NHS Pension

Staff transferring from the NHS may continue to contribute to the NHS scheme.

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

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

i) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

**Notes to the financial statements
For the year ended 31 March 2024**

2. Accounting policies (continued)

2.16 Pensions (continued)

ii) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme_1accounts-and-valuation-reports.

2.17 Fund accounting

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

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

Restricted funds are to be used for specific purposes as laid down by the donor, or where donations are received in response to fundraising by the Charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Investment income, gains and losses are allocated to the appropriate fund.

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

3. Income from donations and legacies

	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
Donations	130	1,103	1,233
Legacies	1,331	2,460	3,791
	<u>1,461</u>	<u>3,563</u>	<u>5,024</u>
	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Donations	187	1,229	1,416
Legacies	1,363	1,966	3,329
	<u>1,550</u>	<u>3,195</u>	<u>4,745</u>

At the balance sheet date, Pilgrims had received notice of £980,444 (2023: £750,300) of reversionary legacies which may become receivable in the future. These legacies are gifts of money or assets which only take effect subject to the prior right of a named person or persons to receive the benefit of those monies or assets, or income produced by them, during the person or persons lifetime. The gift then passes absolutely to Pilgrims as the "reversionary beneficiary" on the death of the named person or persons.

Besides these reversionary legacies, there was potential legacy income to a value of £3,371,800 (2023: £3,722,924) from legacies that were pending confirmation of probate or awaiting receipt of the estate accounts.

4. Income from charitable activities

	Unrestricted funds 2024 £000	Total funds 2024 £000
Grants receivable	3,676	3,676
Fees receivable	907	907
	<u>4,583</u>	<u>4,583</u>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

4. Income from charitable activities (continued)

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Grants receivable	4	3,289	3,293
Fees receivable	-	829	829
	<u>4</u>	<u>4,118</u>	<u>4,122</u>

Included above in grants receivable is a Local Health Authority Grant from the local NHS Integrated Care Board (ICB) awarded under a service funding agreement for the provision of specialist palliative and Hospice at Home care.

5. Income from other trading activities

Income from fundraising events

	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
General fundraising	10	102	112
Proceeds of events	9	936	945
Income from Retail	-	5,432	5,432
Income from Lottery	-	1,179	1,179
	<u>19</u>	<u>7,649</u>	<u>7,668</u>

	Unrestricted funds 2023 £000	Total funds 2023 £000
General fundraising	53	53
Proceeds of events	967	967
Income from Retail	5,133	5,133
Income from Lottery	1,246	1,246
	<u>7,399</u>	<u>7,399</u>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

5. Income from other trading activities (continued)

Income from non charitable trading activities

	Unrestricted funds 2024 £000	Total funds 2024 £000
Trading sales	94	94

	Unrestricted funds 2023 £000	Total funds 2023 £000
Trading sales	78	78

6. Investment income

	Unrestricted funds 2024 £000	Total funds 2024 £000
Investment properties	220	220
Listed investments	229	229
Interest receivable on cash deposits	272	272
	<u>721</u>	<u>721</u>

	Unrestricted funds 2023 £000	Total funds 2023 £000
Investment properties	210	210
Listed investments	99	99
Interest receivable on cash deposits	87	87
	<u>396</u>	<u>396</u>

Pilgrims Hospices in East Kent

**Notes to the financial statements
For the year ended 31 March 2024**

7a Analysis of expenditure (current year)

	Fundraising costs £'000	Investment management £'000	In-patient £'000	Charitable activities Community services £'000	Counselling £'000	Information and education £'000	2024 Total £'000	2023	Total £'000
Direct costs									
Staff costs (note 10)	632	-	6,383	1,449	644	88	9,196		8,440
Staff agency costs	-	-	308	-	-	-	308		244
Food	-	-	129	-	-	-	129		110
Medical supplies	-	-	108	-	-	-	108		90
Laundry and cleaning	-	-	86	-	-	-	86		86
Heat, light and water	-	-	271	-	-	-	271		170
Repairs and maintenance	-	-	450	-	-	-	450		330
Postage, printing and stationery	140	-	17	-	-	-	157		165
Recruitment advertising and fees	-	-	-	-	-	-	-		-
Telephone	-	-	37	16	-	-	53		47
Travel	-	-	149	-	-	5	154		145
Course fees and expenses	-	-	-	-	-	92	92		67
Professional books and journals	-	-	-	-	-	-	-		-
Costs of education centre	-	-	-	-	-	32	32		21
Prizes	213	-	-	-	-	-	213		216
Other costs	234	-	120	8	-	-	362		356
Trading company costs of sales	14	-	-	-	-	-	14		23
Publicity	9	-	-	-	-	-	9		7
Event costs	-	-	-	-	-	-	-		-
Investment property costs	-	60	-	-	-	-	60		18
Investment management fees	-	36	-	-	-	-	36		34
Depreciation	-	-	337	-	-	-	337		318
	1,242	96	8,395	1,473	644	217	12,067		10,887
Support costs (note 8a)	3,288	-	1,287	224	98	33	4,930		4,364
Governance costs (note 8a)	-	-	232	41	18	6	297		264
Total charity expenditure 2024	4,530	96	9,914	1,738	760	256	17,294		
Total charity expenditure 2023	4,094	52	8,996	1,797	373	203			15,515

Of the total figure of £4,530k for Fundraising costs in 2023-24, £3,092k related to total Retail costs and £525k to total Lottery costs.

Pilgrims Hospices in East Kent

**Notes to the financial statements
For the year ended 31 March 2024**

7b Analysis of expenditure (prior year)

	Fundraising costs £'000	Investment management £'000	In-patient £'000	Charitable activities Community services £'000	Counselling £'000	Information and education £'000	2023 Total £'000
Direct costs							
Staff costs (note 10)	550	-	6,045	1,450	315	80	8,440
Staff agency costs	-	-	244	-	-	-	244
Food	-	-	110	-	-	-	110
Medical supplies	-	-	90	-	-	-	90
Laundry and cleaning	-	-	86	-	-	-	86
Heat, light and water	-	-	170	-	-	-	170
Repairs and maintenance	-	-	330	-	-	-	330
Postage, printing and stationery	143	-	22	-	-	-	165
Recruitment advertising and fees	-	-	-	-	-	-	-
Telephone	-	-	10	37	-	-	47
Travel	-	-	106	34	1	4	145
Course fees and expenses	-	-	-	-	-	67	67
Professional books and journals	-	-	-	-	-	-	-
Costs of education centre	-	-	-	-	-	21	21
Prizes	216	-	-	-	-	-	216
Other costs	258	-	96	2	-	-	356
Trading company costs of sales	23	-	-	-	-	-	23
Publicity	7	-	-	-	-	-	7
Event costs	-	-	-	-	-	-	-
Investment property costs	-	18	-	-	-	-	18
Investment management fees	-	34	-	-	-	-	34
Depreciation	-	-	318	-	-	-	318
	1,197	52	7,627	1,523	316	172	10,887
Support costs (note 8a)	2,897	-	1,161	232	48	26	4,364
Governance costs (note 8a)	-	-	208	42	9	5	264
Total charity expenditure 2023	4,094	52	8,996	1,797	373	203	15,515

Pilgrims Hospices in East Kent

Notes to the financial statements
For the year ended 31 March 2024

8a Support and governance costs (current year)

	Charitable activities						2024 Total £'000	2023	Total £'000
	Fundraising costs £'000	In-patient £'000	Community services £'000	Counselling £'000	Information and education £'000	Governance £'000			
Staff costs	1,753	909	159	70	23	210	3,124		2,499
Staff agency costs	174	10	2	1	-	2	189		254
Repairs and maintenance	103	-	-	-	-	-	103		84
Postage, print and stationery	-	9	2	1	-	2	14		13
Telephone	-	-	-	-	-	-	-		-
Travel	-	-	-	-	-	-	-		-
Occupational health	-	-	-	-	-	-	-		-
Life assurance	-	21	4	2	1	5	33		15
Computer costs	-	135	24	10	3	31	203		195
Bank charges	-	24	4	2	1	5	36		32
Auditors' remuneration	32	-	-	-	-	-	32		32
Professional and consultancy fees	-	42	7	3	1	10	63		182
Other shops and lottery costs	730	-	-	-	-	-	730		607
Rent and rates	495	-	-	-	-	-	495		530
Partial exemption adjustment	-	11	2	1	-	2	16		24
Sundry	-	126	20	8	4	30	188		160
Depreciation	1	-	-	-	-	-	1		1
	3,288	1,287	224	98	33	297	5,227		4,628
Allocation of governance	-	232	41	18	6	(297)			
Total support and governance expenditure 2023	3,288	1,519	265	116	39	-			

Pilgrims Hospices in East Kent

**Notes to the financial statements
For the year ended 31 March 2024**

8b Support and governance costs (prior year)

	Charitable activities						
	Fundraising costs £'000	In-patient £'000	Community services £'000	Counselling £'000	Information and education £'000	Governance £'000	2023 Total £'000
Staff costs	1,389	744	149	31	17	169	2,499
Staff agency costs	254	-	-	-	-	-	254
Repairs and maintenance	84	-	-	-	-	-	84
Postage, print and stationery	-	9	2	-	-	2	13
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Occupational health	-	-	-	-	-	-	-
Life assurance	-	11	2	-	-	2	15
Computer costs	-	131	26	5	3	30	195
Bank charges	-	22	4	1	-	5	32
Auditors' remuneration	32	-	-	-	-	-	32
Professional and consultancy fees	-	122	24	5	3	28	182
Other shops and lottery costs	607	-	-	-	-	-	607
Rent and rates	530	-	-	-	-	-	530
Partial exemption adjustment	-	16	3	1	-	4	24
Sundry	-	106	22	5	3	24	160
Depreciation	1	-	-	-	-	-	1
	2,897	1,161	232	48	26	264	4,628
Allocation of governance	-	208	42	9	5	(264)	
Total expenditure 2023	2,897	1,369	274	57	31	-	

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

9. Auditors' remuneration

	2024	2023
	£000	£000
Audit of the charity - current year	29	27
Fees payable to the charity's auditor and its associates in respect of:		
Audit of the trading subsidiary	2	2
	=====	=====

10. Net income for the year

This is stated after charging / (crediting):

	2024	2023
	£000	£000
Depreciation	337	288
Operating lease rentals - property	466	496
Operating lease rentals - other	108	84
Operating lease rentals receivable - property	(220)	(210)
	=====	=====

The figure of £496k for property lease rentals in 2023 has been re-stated from the original figure of £489k after corrective work carried out when preparing this set of accounts

11. Staff costs

	Group	Group	Company	Company
	2024	2023	2024	2023
	£000	£000	£000	£000
Wages and salaries	10,475	9,287	10,475	9,287
Social security costs	963	873	963	873
Contribution to pension schemes	882	779	882	779
	=====	=====	=====	=====
	12,320	10,939	12,320	10,939

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

11. Staff costs (continued)

The average number of employees (head count based on number of staff employed) during the year was 366 (2023: 361).

Staff are split across the activities of the charity as follows:

	Group 2024 No.	Group 2023 No.
Fundraising	22	21
Trading	71	60
In-patients	174	177
Community Services	28	36
Counselling	21	21
Information and education	6	5
Administration and support	44	23
	366	343

The average headcount expressed as full-time equivalents based on the activities of the charity was:

	Group 2024 No.	Group 2023 No.
Fundraising	18	17
Trading	63	55
In-patient	137	149
Community services	25	32
Counselling	16	14
Information and education	5	5
Administration and support	37	23
	301	295

**Notes to the financial statements
For the year ended 31 March 2024**

11. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	3	2
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	-	1
In the band £120,001 - £130,000	2	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £764,385 (2023: £551,376).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £365 were reimbursed or paid directly to 1 Trustee (2023 - £110)

13. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Pilgrims Hospices Trading Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax at 19% in the year was £Nil (2023: £Nil).

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

14. Tangible fixed assets

Group and Company

	Freehold property £000	Long-term leasehold property £000	Motor vehicles £000	Fixtures and fittings £000	Computers and other equipment £000	Total £000
Cost or valuation						
At 1 April 2023	10,419	2,692	90	318	1,055	14,574
Additions	106	13	-	-	222	341
Disposals	-	-	-	-	(86)	(86)
Revaluations	-	-	(6)	-	-	(6)
At 31 March 2024	10,525	2,705	84	318	1,191	14,823
Depreciation						
At 1 April 2023	3,611	1,453	54	307	834	6,259
Charge for the year	160	53	14	6	104	337
On disposals	-	-	-	-	(86)	(86)
On revalued assets	-	-	(10)	-	-	(10)
At 31 March 2024	3,771	1,506	58	313	852	6,500
Net book value						
At 31 March 2024	6,754	1,199	26	5	339	8,323
At 31 March 2023	6,808	1,239	36	11	221	8,315

Land with a value of £2 million (2023: £2 million) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

15. Investment property

Group and Company

	Freehold investment property £000
Valuation	
At 1 April 2023	4,319
Surplus on revaluation	96
	<hr/>
At 31 March 2024	4,415
	<hr/> <hr/>

The properties were last valued, as at 31 March 2024, in April 2024 by Rob Bryer, MARLA MNAEA from The Good Estate Agent.

Management undertakes regular reviews of the condition of the investment properties and regular maintenance is undertaken in order to maintain values.

16. Fixed asset investments

	Listed investments £000	Other investments £000	Total £000
Group and Company			
Cost or valuation			
At 1 April 2023	8,471	50	8,521
Additions	4,275	248	4,523
Disposals	(4,564)	-	(4,564)
Revaluations	795	-	795
	<hr/>	<hr/>	<hr/>
At 31 March 2024	8,977	298	9,275
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

	2024 £000	2023 £000
Investments comprise:		
Fixed interest	3,059	3,902
Managed funds (equity based)	5,687	4,569
Alternative investment funds	231	-
Cash	298	50
	9,275	8,521

All fixed asset investments are held in the UK.

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Principal activity
Pilgrims Hospices Trading Limited	07993259	56 London Road, Canterbury, Kent, CT2 8JA	Non-primary purpose trading activities
Hospice Shops Limited	01623758	56 London Road, Canterbury, Kent, CT2 8JA	Dormant
Pilgrims Hospice Lottery Limited	03130167	56 London Road, Canterbury, Kent, CT2 8JA	Dormant

Class of shares	Holding
Ordinary	100%
Ordinary	100%
Ordinary	100%

The charity owns 2 ordinary shares of £1 each in Pilgrims Hospices Trading Limited.

The charity owns 3 ordinary shares of £1 each in Hospice Shops Limited.

The charity owns 2 ordinary shares of £1 each in Pilgrims Hospice Lottery Limited.

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

A summary of the results of Pilgrims Hospices Trading Limited is shown below:

	2024 £'000	As restated 2023 £'000
Turnover	94	78
Cost of sales	<u>(14)</u>	<u>(20)</u>
Gross profit/(loss)	80	58
Administrative expenses	(5)	(4)
Management charge payable to parent undertaking	<u>(3)</u>	<u>(3)</u>
Profit on ordinary activities	72	51
Taxation on ordinary activities	<u>-</u>	<u>-</u>
Profit for the financial year	<u>72</u>	<u>51</u>
Retained earnings		
Total retained earnings brought forward	48	48
Profit for the financial year	72	51
Distribution under Gift Aid to parent charity	(72)	(51)
Total retained earnings carried forward	<u>48</u>	<u>48</u>
The aggregate of the assets, liabilities and reserves was:		
Assets	104	71
Liabilities	<u>(56)</u>	<u>(23)</u>
Reserves	<u>48</u>	<u>48</u>

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

	2024 £'000	2023 £'000
Gross income	17,996	16,662
Result for the year	<u>1,615</u>	<u>861</u>

17. Stocks

	Group 2024 £000	Group 2023 £000
Finished goods and goods for resale	<u>24</u>	<u>15</u>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

18. Debtors

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Due within one year				
Trade debtors	75	3,355	75	3,355
Amounts owed by group undertakings	3	-	46	15
Other debtors	339	240	334	239
Prepayments and accrued income	340	256	340	250
Accrued legacy income	3	18	3	18
	760	3,869	798	3,877

19. Current asset investments

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Short term deposits	8,657	3,500	8,657	3,500

20. Creditors: Amounts falling due within one year

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Trade creditors	562	434	557	433
Other taxation and social security	347	318	347	318
Other creditors	1	-	1	-
Accruals and deferred income	618	3,740	613	3,733
	1,528	4,492	1,518	4,484

Deferred income comprises NHS ICB grant payments, lottery subscriptions, course fees and fundraising activities taking place in the following year.

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Deferred income at 1 April 2023	3,480	3,169	3,480	3,169
Resources deferred during the year	432	3,480	432	3,480
Amounts released from previous periods	(3,480)	(3,169)	(3,480)	(3,169)
	432	3,480	432	3,480

21. Financial instruments

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Financial assets measured at fair value through profit and loss				
Investment properties	4,415	4,319	4,415	4,319
Listed investments	9,275	8,521	9,275	8,521
	13,690	12,840	13,690	12,840

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2024 £000
Unrestricted funds						
Designated funds						
Fixed asset fund	8,315	-	(337)	345	-	8,323
Canterbury Hospice	3,837	162	-	-	-	3,999
	<u>12,152</u>	<u>162</u>	<u>(337)</u>	<u>345</u>	<u>-</u>	<u>12,322</u>
General funds						
General Funds	16,115	16,448	(15,574)	(264)	-	16,725
Revaluation reserve	2,807	-	-	-	891	3,698
	<u>18,922</u>	<u>16,448</u>	<u>(15,574)</u>	<u>(264)</u>	<u>891</u>	<u>20,423</u>
Total Unrestricted funds	<u>31,074</u>	<u>16,610</u>	<u>(15,911)</u>	<u>81</u>	<u>891</u>	<u>32,745</u>
Restricted funds						
Ashford Hospice	84	729	(726)	-	-	87
Bedside funds	8	9	(5)	-	-	12
Canterbury Hospice	21	382	(372)	(1)	-	30
Thanet Hospice	-	298	(267)	(25)	-	6
Sundry projects	263	7	(13)	-	-	257
Bed Appeal fund	-	55	-	(55)	-	-
	<u>376</u>	<u>1,480</u>	<u>(1,383)</u>	<u>(81)</u>	<u>-</u>	<u>392</u>
Total of funds	<u><u>31,450</u></u>	<u><u>18,090</u></u>	<u><u>(17,294)</u></u>	<u><u>-</u></u>	<u><u>891</u></u>	<u><u>33,137</u></u>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
Unrestricted funds						
Designated funds						
Fixed asset fund	8,563	-	(288)	40	-	8,315
Canterbury Hospice	4,000	-	(163)	-	-	3,837
	<u>12,563</u>	<u>-</u>	<u>(451)</u>	<u>40</u>	<u>-</u>	<u>12,152</u>
General funds						
General Funds	14,922	15,186	(13,466)	(40)	(487)	16,115
Revaluation reserve	2,633	-	-	-	174	2,807
	<u>17,555</u>	<u>15,186</u>	<u>(13,466)</u>	<u>(40)</u>	<u>(313)</u>	<u>18,922</u>
Total Unrestricted funds	<u>30,118</u>	<u>15,186</u>	<u>(13,917)</u>	<u>-</u>	<u>(313)</u>	<u>31,074</u>
Restricted funds						
Ashford Hospice	97	309	(322)	-	-	84
Bedside funds	8	-	-	-	-	8
Canterbury Hospice	18	778	(775)	-	-	21
Thanet Hospice	11	337	(348)	-	-	-
Sundry projects	286	130	(153)	-	-	263
	<u>420</u>	<u>1,554</u>	<u>(1,598)</u>	<u>-</u>	<u>-</u>	<u>376</u>
Total of funds	<u><u>30,538</u></u>	<u><u>16,740</u></u>	<u><u>(15,515)</u></u>	<u><u>-</u></u>	<u><u>(313)</u></u>	<u><u>31,450</u></u>

Notes to the financial statements
For the year ended 31 March 2024

22. Statement of funds (continued)

Purposes of restricted funds

These represent donations, legacies and grants received for specific purposes. Those funds associated with the three hospice sites are for projects to be undertaken for the improvement of patient care at those specific sites.

Transfers includes the purchase of solar panels for the Thanet hospice, which were installed in the year and for which a restricted donation of £25k was provided. The sum also includes £55.7k of restricted donations which have been used for the purchase of replacement beds across the three hospice sites, as noted in the Bed Appeal fund line.

The **Bedside Fund** provides funding for the upgrade or replacement of items of equipment needed 'at the bedside' across the three hospice sites.

Included in **Sundry projects** is a legacy specifically for the funding of training for health and social care professionals, with a revised programme planned for future years, as well as a grant for a pilot scheme with certain east Kent GP practices to help identify patients that would benefit from early referral to Pilgrims' services and expertise. The projects also include a fund for the employment of a Specialist Nurse who will recruit and train expert volunteers to provide bereavement support to bereaved families across east Kent.

Purposes of designated funds

The fixed asset fund has been set up to identify those funds that are not free funds and it represents the net book value of tangible fixed assets. The transfer between the unrestricted general fund and the fixed asset fund represents the net movement in the net book value of fixed assets in the year.

The Canterbury Hospice Fund has been set up as a fund into which has been placed a donation of £4 million from the Pentland Homes and the Tory Foundation which trustees have designated as funding with which to build a new hospice in Thanington. Other income funds raised specifically for the project will also be allocated to this fund.

Revaluation reserve

The revaluation reserves represents the increase in valuation of investment properties above the cost price paid.

23. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2024 £000
Designated funds	12,152	162	(337)	345	-	12,322
General funds	18,922	16,448	(15,574)	(264)	891	20,423
Restricted funds	376	1,480	(1,383)	(81)	-	392
	<u>31,450</u>	<u>18,090</u>	<u>(17,294)</u>	<u>-</u>	<u>891</u>	<u>33,137</u>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

23. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
Designated funds	12,563	-	(451)	40	-	12,152
General funds	17,555	15,186	(13,466)	(40)	(313)	18,922
Restricted funds	420	1,554	(1,598)	-	-	376
	<u>30,538</u>	<u>16,740</u>	<u>(15,515)</u>	<u>-</u>	<u>(313)</u>	<u>31,450</u>

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	-	8,323	8,323
Fixed asset investments	-	9,275	9,275
Investment property	-	4,415	4,415
Current assets	392	12,260	12,652
Creditors due within one year	-	(1,528)	(1,528)
Total	<u>392</u>	<u>32,744</u>	<u>33,137</u>

Analysis of net assets between funds - prior period

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	8,315	8,315
Fixed asset investments	-	8,521	8,521
Investment property	-	4,319	4,319
Current assets	376	14,411	14,787
Creditors due within one year	-	(4,492)	(4,492)
Total	<u>376</u>	<u>31,074</u>	<u>31,450</u>

Pilgrims Hospices In East Kent

Notes to the financial statements For the year ended 31 March 2024

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £000	Group 2023 £000
Net income for the period (as per Statement of Financial Activities)	1,687	912
Adjustments for:		
Depreciation charges	337	288
(Gains)/losses on investments	(891)	313
Dividends, interests and rents from investments	(721)	(396)
Loss on the sale of fixed assets	-	86
Increase in stocks	(8)	(1)
(Decrease)/increase in creditors	(2,964)	459
Decrease/(increase) in debtors	3,108	457
Revaluation of tangible fixed assets	(4)	-
Net cash provided by operating activities	544	2,118

26. Analysis of cash and cash equivalents

	Group 2024 £000	Group 2023 £000
Cash in hand	11,868	10,903
Total cash and cash equivalents	11,868	10,903

27. Analysis of changes in net debt

	At 1 April 2023 £000	Cash flows £000	At 31 March 2024 £000
Cash at bank and in hand	7,403	(4,192)	3,211
Liquid investments	3,500	5,157	8,657
	10,903	965	11,868

Notes to the financial statements
For the year ended 31 March 2024

28. Operating lease commitments payable as a lessee

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Land and buildings				
Not later than 1 year	434	303	434	303
Later than 1 year and not later than 5 years	1,189	703	1,189	703
Later than 5 years	-	245	-	245
	1,623	1,251	1,623	1,251
	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Equipment and vehicles				
Not later than 1 year	75	50	75	50
Later than 1 year and not later than 5 years	121	90	121	104
Later than 5 years	-	-	-	-
	196	140	196	154

29. Operating lease commitments receivable as a lessor

The group leases out the investment property under non-cancellable operating leases for the following future minimum lease payments. There are no contingent rents.

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Property				
Less than one year	237	222	237	222
One to five years	-	-	-	-
Over five years	-	-	-	-
	237	222	237	222

**Notes to the financial statements
For the year ended 31 March 2024**

30. Related party transactions

During the year, donations amounting to £2,080 (2023: £1,035) were made by trustees to the charity. £867 (2023: £907) was received from other related parties, which were outside the normal course of business. There were no restricted donations arising from related parties.

Pilgrims Hospices Trading Limited incurred management charges payable to the Charity of £3,175 (2023: £2,775). In addition, the Charity purchased goods from Pilgrims Hospices Trading of £nil (2023: £nil). Pilgrims Hospices Trading covenanted its profit of £72,077 (2023: £50,607) to the Charity.

31. Legal status of the charity

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