Farleigh Hospice



Annual Report 2025-2026



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Who we are

Farleigh Hospice provides specialist care, support and guidance to people across mid Essex living with a life limiting illness, and to those facing bereavement and loss.

This year, we supported nearly 4,000 local people – helping them to live well until the end of life and ensuring they, and those important to them, are cared for with dignity and compassion.

We deliver personalised palliative and end of life care in people's homes, in the community and in our Inpatient Unit.

We focus on symptom management, maintaining independence, and providing emotional and practical support to families and carers – before and after a death.

Our care is inclusive and tailored to the individual, delivered by skilled staff and dedicated volunteers working in partnership with the NHS and local organisations.

As a charity, much of our income comes from the generosity of local people and businesses.

NHS funding meets only part of the true cost of delivering specialist care, so every year we must bridge a significant funding gap through fundraising, retail income, legacies and community support.

Thanks to this ongoing support, Farleigh Hospice can continue to be there for everyone who needs us, now and in the years ahead.

Charitable objectives

To advance the health, and to relieve the needs by reason of ill-health, of people with life-limiting illnesses ("such people"), in particular, but not exclusively, by:

1. The provision of care, advice and services to such people, and to their family, friends and carers.
2. The provision of services for those who have undergone a bereavement or loss, and the provision of education, training, advice and support to others who are in contact with such people.
3. Conducting, promoting, and encouraging the teaching and training of staff and informal carers engaged in the care of such people.
4. Conducting and promoting research into the care and treatment of, or services for such people and to disseminate the results thereof.
5. Promoting awareness of issues faced by such people and those approaching death.

For any queries, comments or any further information please email us at:
comments@farleighhospice.org

Joint message from the Chief Executive and Chair

As we reflect on 2025/2026, we do so with immense pride in the work of Farleigh Hospice and deep gratitude for the people who make it possible.

This has been a year of continued change and challenge across health and social care, alongside growing demand for hospice and community-based support.

Throughout it all, our focus has remained clear: to provide compassionate, high-quality palliative and end-of-life care for people living with life-limiting illnesses, while also supporting bereaved families and carers.

This year has seen important progress in strengthening our services and extending our reach in the community.

We have continued to develop more integrated, neighbourhood-based ways of working, ensuring that care is delivered earlier, closer to home, and in partnership with our colleagues across health and social care.

Alongside this, we have invested in improving access, reducing inequalities, and strengthening the consistency and quality of the support we provide to patients and families.

These developments are helping us respond more effectively to the needs of our local population, while also preparing us for the future of hospice care.

None of this would be possible without the dedication of our staff and volunteers, whose skill, compassion and resilience remain at the heart of everything we do.

We are also deeply grateful to those that shop in, and donate to, our Retail operations, our supporters, donors, lottery players, people leaving gifts in their wills and partners whose generosity enables our services to continue and grow. In a challenging financial environment, your commitment makes a tangible difference every single day.

The Board has remained focused on stewardship, assurance and sustainability, ensuring that Farleigh is well placed to deliver our new strategy for 2026-2029 and continue serving the community in the years ahead.

As we look ahead, we remain ambitious for the future of Farleigh Hospice.

We will continue to evolve our services in line with changing need, strengthen our partnerships across the system, and ensure that hospice care remains accessible, equitable and responsive for all who need it.

Together, we will build on the progress of this year to ensure that more people receive the right care, at the right time, in the place that matters most to them.

Michelle Kabia
Chief Executive

Sarah Glew
Chair of the board of trustees





Our year in numbers

2025-2026

Farleigh Hospice

Community Teams

22,281 visits and calls made by community nurse specialists and registered nurses

22,768 calls answered on the clinical advice line

1,584 patients supported in their own homes

13,645 home visits by the community team

27,865 hours of care delivered at home

Inpatient Services

286 admissions to the Inpatient Unit

Therapy Services

1,272 sessions delivered by physiotherapists, occupational therapists and assistants

299 complementary therapy treatments provided

Hospice Rapid Access Service

1,195 nights of care provided by the Inpatient Unit

27,209 hours of care delivered in patients' homes

536 patients cared for at home

978 patients supported who would otherwise have been in hospital

Counselling and Pastrol Support

324 carers supported by the Family Support team

184 adults received specialist counselling

136 children and young people supported through the Yo-Yo Project

344 adults referred to the Circle bereavement service

346 people received support from the Spiritual Care team

Our impact

Marina and Barry's story

After Marina was diagnosed with a glioblastoma brain tumour in 2021, her husband, Barry, wanted to keep caring for her at home as her condition progressed.

He turned to Farleigh Hospice for support, where our care teams supported them with their changing needs.

Barry says: "I already knew a bit about the support that Farleigh Hospice provides. I wanted Marina to live as much of the rest of her life as she could, so I decided to give them a call."

Farleigh's team quickly became involved, supporting Marina with physiotherapy, symptom management and practical advice at home.

"We were given practical advice too. One of the medicines Marina had to take – which reduced the pressure on her brain to stop her fitting – affected her skin, making it easily damaged and sore.

Farleigh had an adjustable bed, so Sally set it at the height of our bed at home and showed me the best way to help Marina in and out of it, without making it worse, so I felt more confident."

"Farleigh also coordinated wider support, including speech therapy, equipment and help with practical matters.

Everyone we spoke to at Farleigh was very supportive and understood what was going on, so we didn't have to explain ourselves each time.

We felt that they knew us as individuals which was reassuring without a doubt."

Kevin and Laura's story

When Kevin needed specialist care, Farleigh Hospice was there to care for him and support his family.

Kevin was diagnosed with a rare, non-treatable cancer in his kidney. After treatment, he was well for a time, but the cancer later returned and spread.

In October 2023, his family were told there was nothing more that could be done and were referred to Farleigh Hospice.

His daughter, Laura says: "When I heard the word 'hospice', I only thought of end of life care, but it provides much more than that".

Farleigh arranged personal care at home, with carers visiting twice a day to support Dad and help my Mum. They were kind, flexible and always focused on what Dad needed, while also supporting us as a family.

"He was later admitted to the Inpatient Unit on Christmas Day 2023. We were very worried, but the care was calm, warm and reassuring.

After a short stay, Dad returned home with continued support from Farleigh before being readmitted in February 2024 for end of life care.

"The care never felt clinical. He was supported to do the things he still enjoyed, including time in the gardens and our reiki sessions. The Sanctuary room became a very special place for us as a family.

"We were able to visit regularly, and Dad passed away peacefully on 20 February 2024, surrounded by his loved ones.

Farleigh Hospice's care made a huge difference to my Dad and our family. The staff were calm, kind and treated him with dignity, helping us through an incredibly difficult time. We will always be very grateful."



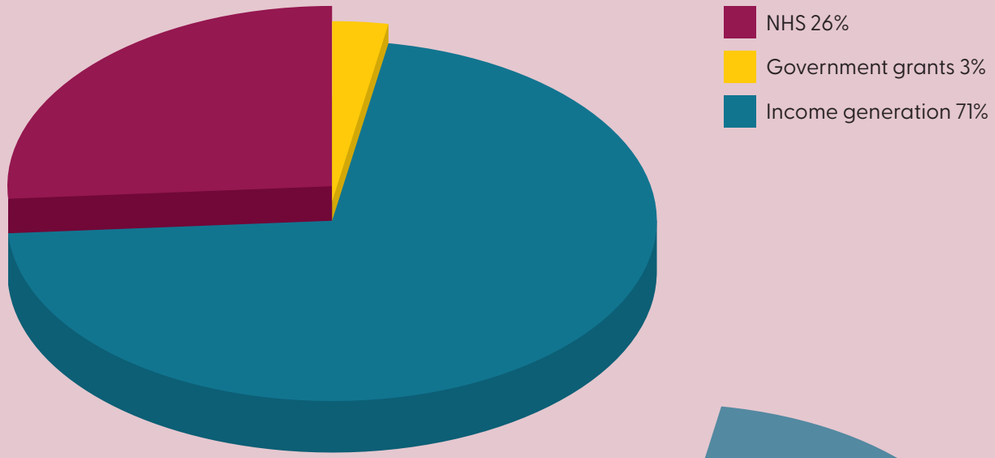


How we're funded

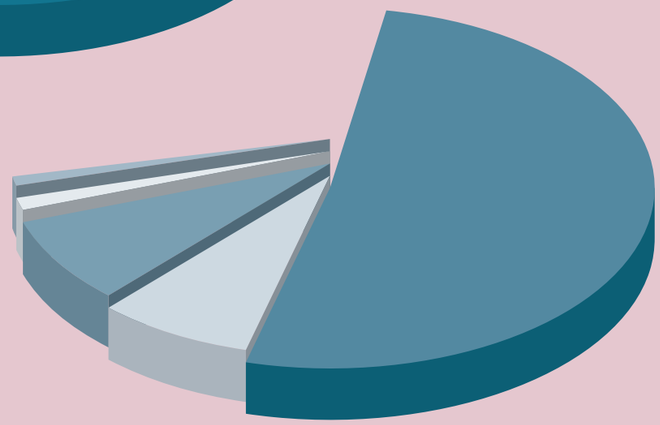
We are part-funded by the NHS, but charitable giving pays for a significant share of the care we provide.

Every donation helps us meet rising demand and deliver specialist support where statutory funding does not cover the full cost.

Group income breakdown for the year



Breakdown of income generation



Why we fundraise

NHS funding is commissioned and typically covers part of core costs or specific services like the Hospice Rapid Access Service (HRAS).

The hospice model still relies on unrestricted community income to cover the rest: staffing, 24/7 advice, bereavement, family and community support, wellbeing and education.

In 2025/26, we received core funding of £2.9m towards the £11.2m hospice running costs[1].

This left £8.3m to be raised through fundraising and income generation (net of costs).

[1] Excludes delivery of the HRAS contract and the running of the Local Hospice Lottery

What your support funds

Whether you donate, volunteer, shop, play the lottery or leave a gifts in Wills - your support helps ensure local people can access hospice care when it matters most.

We provide expert care, compassionate support, and practical advice to people and families facing challenging times, both within the hospice and out in our community.

With your help, we can continue to be there for our community.

The gifts in Wills, charitable donations and income we receive from our commercial activities such as retail and house clearance, keep our services running, ensuring help is available whenever it's needed.

This income gives us the flexibility to respond quickly to changing needs in our community and make the greatest impact possible, bringing comfort, clarity and expert help and care to people navigating some of life's toughest times.

The money raised by the Farleigh Hospice Lottery provides the funds to care for 1 in 9 of our patients in mid Essex.

The time our volunteers contribute, within our office, our shops or through supporting fundraising activity, is equivalent to an amazing £1,908,736 of value.

We couldn't do what we do without this vital support.



Trustees report

The trustees present their report and the audited financial statements for the year ended 31st March 2026.

The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102(2019).

This Trustees' Annual Report includes a directors' report as required by company law.

Our purposes and aims

During the year, we continued to deliver our 2022-2026 strategy, "One Team with One Core Purpose", which was created to build on the success of our 2018-2022 strategy.

The strategy had three main aims:

To Inspire:
- Supporters and funders to support our work
- People to join and excel as part of our workforce
- Others to collaborate with us to provide the best possible care and support for our community

To Innovate:
- In our service delivery, involving patients and families in service design
- In generating income for a sustainable hospice
- In how we use our resources

To Invest:
- In the growth and development of our hospice
- In technology and systems to be at the forefront of hospice care
- Be creative in how we invest in supporting and developing our workforce



The strategy, developed in consultation with stakeholders, partners, internal teams and trustees, has guided significant progress during the year in strengthening services, workforce sustainability and financial resilience, with further detail set out in the achievement of 2025-2026 goals on page 28.

The Strategy 2026–2029 was approved by the Board during the year.

Developed through engagement with staff, volunteers and key stakeholders, the strategy sets out Farleigh Hospice's priorities for the coming years and provides the framework for making a difference when it matters most, while ensuring the organisation remains resilient, sustainable and responsive to the needs of the Mid Essex community.

Alongside the charitable objects, Farleigh Hospice operates in line with its vision, mission and values as shown in the illustration below.

OUR VISION

Together, we create a community where every individual with a life-limiting illness is supported to live well and die well.

OUR MISSION

Supporting our community through compassionate care, collaboration and innovation to focus on what matters most to those living with a life-limiting illness.

OUR VALUES

COMPASSIONATE
We approach every person and situation with empathy, kindness, and respect. Compassion is at the heart of what we do - it shapes how we listen, how we care, and how we support one another.

INCLUSIVE
We believe everyone deserves to feel seen, heard, and valued. We welcome people from all backgrounds and ensure our care, services, and workplaces reflect the diversity of our community.

COLLABORATIVE
We know that the best care happens when we work together - with colleagues, families, volunteers, and partners across health and social care. Collaboration helps us share knowledge, strengthen relationships, and deliver the best outcomes for those we support.

RESPONSIVE
We adapt to meet the changing needs of our patients, families, and community. Being responsive means, we listen, learn, and act with agility - always striving to improve and innovate.

Our activities

Each year, a detailed strategic delivery plan is developed to set out the short-term actions that support achievement of the overall strategic objectives.

The charity's main activities, and whom it tries to help, are described below.

All its charitable activities focus on those affected by life limiting illnesses or bereavement and are undertaken to further Farleigh Hospice's charitable purposes for the public benefit.

Farleigh Hospice's latest CQC inspection in 2024/25 rated the hospice overall as 'Good', with care rated as 'Outstanding'.

The trustees have chosen to report their activities under a number of headings.

Broadly speaking these headings reflect where our users access the service.

Each of these services is supported by medical, allied health professionals and ancillary staff whose costs are apportioned in the accounts to the service on the basis of time spent.

Inpatient unit

An Inpatient Unit (IPU) operates in Chelmsford to provide short-term care for those who need help with specialist symptom control, and end of life care for those who wish to be in the hospice.

Six beds are used for specialist palliative care and four beds for the Hospice Rapid Access Service (HRAS).

All ten beds are ensuite single rooms, one of which has a larger footprint and can be used for rehabilitation, younger patients or for families to stay with the patient.

Following the award of a national government grant in 2025/26, the hospice upgraded its IPU facilities to provide three additional patient rooms, enabling care to be delivered to more patients from 2026/27.

The IPU is supported by a multidisciplinary team including nurses, doctors, physiotherapists, occupational therapists, spiritual care, complementary therapy and family support.

During the year, the IPU cared for 286 patients.

Community care

Community services are delivered by three locality-based multidisciplinary community teams covering North, South and Central mid Essex.

The community team is led by a Head of Community Services, supported by Community Managers and an integrated team of professionals and care staff who share expertise and provide the wide range of skills needed to support patients and families.

The ethos of the approach is 'One Team' of clinicians able to respond to the multifaceted and individualised needs of the people we care for.

This structure aligns with local NHS services, which are now organised in Primary Care Networks (PCNs) and integrated neighbourhood teams, and offers opportunities to connect and work more closely with primary care and community colleagues within each locality.

These multi-disciplinary teams include health care assistants, registered nurses, clinical nurse specialists, physiotherapists, occupational therapists and family support workers, working together in Locality Care Teams.

Referrals for community support are received directly into the Locality Team and assigned to the most appropriate healthcare professional.



At any point in time there are around 450 people being cared for in the community by our specialist teams.

Each locality team responds appropriately to incoming calls made to the hospice's advice line.

This line is available 8am–8pm, seven days a week, and is staffed by a team of specially trained navigators and specialist nurses.

During the year the hospice received almost 23,000 incoming calls to this advice line.

Farleigh Hospice is contracted by Mid and South Essex Integrated Care Board (MSEICB) to provide and source care to patients who are rapidly deteriorating and in the terminal phase of their life.

This service, known as the Hospice Rapid Access Service (HRAS), operates in partnership with other hospices in MSEICB.

Patients are assessed according to need and choice against agreed criteria, and are placed in either one of four HRAS IPU beds, their own homes with domiciliary care from either a domiciliary care agency or our Hospice at Home team, or into a local nursing home.

The HRAS team ensures end-of-life care patients in hospital are rapidly identified, assessed and moved to the most appropriate place for their ongoing care.

During the year there were 27,000 hours of care provided by our healthcare assistants to support people to stay at home, and 454 people placed and supported in care homes.

All community and inpatient services are supported by a highly specialised medical team including five palliative care consultants.

Farleigh Hospice also runs a befriending service - Farleigh Helpers.

A team of volunteers who are based at home makes calls to members of the community who may be lonely or isolated.

Bereavement

Bereavement support is available to adults through the CIRCLE programme (age 18+), while children and young people are supported through the Yo-Yo Project initiative (age 4–18).

Support is offered flexibly, with a choice of face-to-face, online and telephone sessions available.

Delivery of the service is by a core team of counselling and therapeutic professionals, with support from a large number of internally trained volunteers.

During the year, the bereavement service was remodelled to introduce early intervention options for adults.

This has reduced the need for one-to-one specialist counselling for some people and helped reduce waiting times for those who need specialist support.

In 2025/26, there were 344 accepted referrals to the service, over 200 fewer than in the previous year.

During the year, 236 children and young people were supported by the children's service.

Education and information services

The Education Team delivers high-quality training to Farleigh staff and to local partners, including care homes, hospitals, paramedics, and community teams.

The programmes cover everything from symptom management to spiritual and emotional care and can be tailored to meet the needs of different organisations.

All training is grounded in the latest evidence and national guidance.

New clinical and care staff at Farleigh receive comprehensive induction training, including an eight-day palliative care course.

Registered nurses also complete drug competency assessments and training in verifying expected deaths.

We also offer advanced courses to help clinicians become leaders in palliative and end-of-life care.

During the year, we developed our education offer and joined a collaborative partnership with hospice colleagues at St Helena Hospice and St Elizabeth Hospice.

Local Hospice Lottery Ltd

2025/26 was the first year of Local Hospice Lottery's new 5-year Strategic Plan, '2030 Vision'.

The strategy was developed following engagement with all interested parties and utilised a stakeholder framework with aims and objectives set for each of the three key stakeholders of 'Our Hospices', 'Our Players' and 'Our People'.

During the year the lottery company achieved a range of objectives from the first year of the Strategic Plan.

In particular, the key strategic project to review and implement changes in the price and prize of the lottery product was prioritised, with the project successfully undertaken and with new structures in place for the start of 2026/27.



Throughout the year Local Hospice Lottery continued to attract new players and new partner hospices and by the end of the financial year was actively fundraising with 45 partner hospices.

Sales levels continued to improve in 2025/26 with greater use of fundraising agencies and paid-for-venues as the market for recruiting fundraisers remained difficult.

Following the strategy's review of our purpose and values, these remained as follows:

Our Purpose:
"Local Hospice Lottery exists to be the leading lottery for hospices, providing additional funding and opportunities for growth by inspiring people to support their local hospice in a fair, open and affordable way".

Our Values
Supportive, Fair, Professional and Ambitious.

Over the period of the new 5-year plan, the key financial objective is to raise £70 million for hospice care.

Fundraising

2025/26 was a challenging year for fundraising across the sector, with the financial climate continuing to place pressure on household incomes and charitable giving.

Despite this, Farleigh Hospice continued to benefit from the extraordinary generosity and commitment of our supporters, who remained at the heart of everything we did.

Legacy and in-memory giving

Legacy gifts continued to represent our single largest source of voluntary income, contributing approximately £0.7m in the year.

In-memory giving was also a significant income stream at over £0.5m, reflecting the deep and lasting connection many supporters have with the care provided by Farleigh Hospice.

We continued to support the national 'This is Hospice Care' campaign in partnership with Hospice UK and other hospices across the country, helping to raise awareness of the importance of legacy giving.

With increasing pressure on funding, gifts in Wills remain more important than ever in securing the future of hospice care, and we remain committed to ensuring our supporters understand the lasting impact such gifts can make.

Events and community engagement

We worked closely with our community on a programme of fundraising events and challenges, ensuring there were opportunities for everyone to get involved, regardless of their interests, fitness level or available time.

From personal challenges such as skydives, the Three Peaks Challenge and marathon running, to more accessible fundraising events, supporters embraced the chance to push themselves while raising vital funds.

Our flagship events, Walk for Life, Cycle for Life and the Santa Fun Run, remained popular and continued to bring together our community in support of the Hospice.

The Reindeer Run again saw encouraging growth, with increased participation from nurseries and primary schools helping to engage younger supporters and families.

This year also saw us introduce a new spring fundraiser, 'Bunny Hop', for this group.

Community-led fundraising continued to be a vital area of income.



Initiatives such as open gardens, Christmas tree recycling, quizzes and independently organised events highlighted the strength and creativity of our local community, even in challenging times.

We also delivered the 'Buzz in the City' Art Trail in summer 2025, engaging with businesses, artists, schools and the wider public, and playing an important role in raising both awareness and income.

Corporate partnerships and trusts

We continued to build meaningful relationships with businesses across the region.

Through Charity of the Year partnerships, corporate events and volunteering opportunities, corporate supporters remained an important part of our fundraising mix, and we focused on developing long-term, mutually beneficial partnerships.

We also continued to benefit from the long-term support of several charitable trusts providing much-needed funds for our services.

Appeals and supporter care

Our appeals and remembrance services, including Light Up a Life and Forget-me-not, continued to be an important part of our fundraising, offering supporters a meaningful way to honor and remember loved ones.

These initiatives generated income while also providing comfort, connection and a sense of shared community.

Retail

Against a challenging retail and economic backdrop, Farleigh Hospice Retail remained resilient, generating much needed unrestricted funds for our work.

Our retail success continues to be underpinned by the exceptional dedication of our retail volunteers, whose time, skills and commitment are vital to the day-to-day running of our shops.



We are also incredibly grateful for the continued generosity of the public, with strong levels of donated clothing, bric-a-brac and furniture received throughout the year despite the pressures on household finances.

A key focus during the year was maximising the value of every donation, ensuring items were channelled through the most effective routes, whether in-store, through our warehouse model or via our growing e-commerce platforms, to generate as much income as possible for the Hospice while supporting sustainability through reuse.

Farleigh Supplies Limited continued to generate additional income through the sale of new goods, primarily cards, and by maximising retail Gift Aid opportunities.

This remained an important mechanism for increasing the value of donated items.

Our House Clearance Service also continued to develop, providing a valued service to the community while generating both income and stock for our shops.

During the year, our Full Circle store in Chelmsford town centre closed following the end of its lease.

In addition, our Occasion Shop in Maldon was closed due to the ongoing challenges of staffing and the need to repurpose the space to support wider Hospice priorities.

We know that there are still significant opportunities to grow our retail operations and further maximise the profit we generate.

Our warehouse retail model in Maldon continues to perform extremely well, and we remain confident in its future potential and this model more generally.

We continue to focus on strengthening efficiency, profitability and customer experience across our existing portfolio while actively exploring new retail and warehouse sites across mid Essex and ecommerce opportunities to support growth.

Volunteers

Our volunteers made a huge contribution to Farleigh Hospice.

Over 600 volunteers were registered on our volunteer database, with many more giving their time on an ad hoc basis to help at fundraising events such as Walk for Life and the Santa Fun Run.

Volunteers contributed an average of over 2,800 hours per week to our work, which would cost approximately £1.9m in salary costs.

In accordance with SORP recommendations, the value of volunteer time has not been recognised in the financial statements.

There are over 30 different volunteer roles - both in the hospice building and out in retail stores and warehouses.

Volunteer roles are varied throughout each department and include IPU volunteers, Welcome Team, gardeners, fundraising office support, cash counters, catering, admin support, bereavement support, counselling, spiritual care and complementary therapy.

Volunteers are an integral part of Farleigh Hospice – as well as helping to save money and provide essential support to services, volunteers are also key ambassadors and supporters for the charity, participating in fundraising, events and general awareness of the hospice and the work we do.

We appreciate all that our volunteers contribute and couldn't run the service the way we do without their support and dedication.

Strategic Report

Our achievements and performance

Impact of Farleigh Hospice's charitable activities

The trustees take care to ensure that limited charitable resources are directed to where they will have most impact.

The activities section at the start of this report shows the variety of services Farleigh Hospice offers and the number of people accessing those services.

This work has a huge amount of impact on an ongoing basis across the local community.

Key metrics to show the amount of work carried out across Farleigh Hospice teams are as follows:

	2021/22	2022/23	2023/24	2024/25	2025/26
Total people cared for	4,062	4,245	4,294	3,322	3,880
Patient referrals	3,027	3,287	3,353	3,162	3,441
% of patients with a non-cancer diagnosis	39	43	47	41	41
% preferred place of death achieved	88	90	91	85	89
Number of other hospices supported by Local Hospice Lottery	28	31	35	40	45

This was the fourth year of Farleigh Hospice's strategy, 'One Team with One Core Purpose'.

Each year, the trustees review impact by considering a particular focus.

In preparation for the new strategy, this provided an opportunity to reflect on the impact Farleigh Hospice is making for the community it serves.



Hospice Rapid Access Service

The Hospice Rapid Access Service (HRAS) is a collaboration with Havens Hospices and St Luke's Hospice.

It is a hospice-inspired pathway for adults across mid and south Essex that ensures people who have a primary health need, are rapidly deteriorating, and are entering the last weeks of life, receive a specialist assessment of their care needs.

Care is delivered at the right time and in the right place, whether in the patient's home, a nursing home or one of the hospices' inpatient units.

The service was recognised as a leading exemplar of collaboration, as winners of the Health Service Journal Awards in 2025 in the category of Best not for profit/NHS partnership.

The service promotes patient choice, helping patients achieve their preferred place of care and death, which improves their quality of life and reduces anxiety for their families.

The service also helps to ease demand on health and social care systems by reducing hospital admissions and stays.

In 2025/26, the Hospice Rapid Access Service as a whole cared for 978 patients, at any one point in time there are around 90 patients being supported either at home, in a care home or in our Inpatient Unit by this scheme.

These patients may otherwise have been in hospital.

The service delivers rapid and appropriate care, achieving this on average within three days from the original referral to the Hospice Rapid Access Teams.

Bereavement service review

During 2024/25, the bereavement service underwent a full review and introduced a new tiered model of support based on best practice evidence and feedback from service users.

The service was redesigned from the ground up, introducing a more flexible, person-centred model that better reflected the diverse needs of those experiencing grief.

By shifting to a self-referral system, extending the referral window and enhancing the information available online, the service became more accessible and empowering for individuals seeking support.

A number of new early intervention options have been introduced.

This includes psycho-educational groups, targeted workshops and a broader role for trained support workers.

These new pathways offer timely, meaningful support to more people reducing the need for long- term counselling and individuals are more confident in managing their grief.

These services run alongside the established bereavement help points across the region.

The impact of these changes was already being felt, with referral numbers decreasing, waiting lists reducing and the service becoming more sustainable.

Expansion of care services into Colne Valley

Following additional funding from the Mid and South Essex ICB, care services were expanded into the Colne Valley from 1 February 2025.

This expansion means that people in Colne Valley now have one adult hospice delivering all services, supporting consistency and equity in this area.

They have access to the full range of high-quality, compassionate services for which Farleigh Hospice is known.

As the impact of these services becomes clearer, it is hoped that fundraised income will increase to help support them.

Local Hospice Lottery Ltd (LHL)

Key achievements against Local Hospice Lottery's strategic stakeholder objectives in 2025/26 were as follows:

Our hospices

The number of players in the weekly draw increased from 292,745 to 332,990 against a target of 322,740.

Local Hospice Lottery's dedicated team of face-to-face fundraisers recruited over 90% of new members.

During 2025/26, four new partners joined Local Hospice Lottery bringing the total number of partner hospices to 45.

All existing partner hospices were sent the lottery's annual survey, which demonstrated high levels of satisfaction, with one partner hospice commenting:

"As a long-time partner with Local Hospice Lottery, we know the real benefit of this solid and steady income stream.

Whilst the number of Hospice partners has grown, we have always felt valued and never lost or unheard in this growth.

We value the knowledge and expertise of the LHL team, who have been consistently approachable - we have learned a lot from them through our collaborative working and feel fortunate to be part of this lottery which keeps the Hospices and Hospice supporters at the heart of all they do"

Our players

Average attrition rates rose slightly in 2025/26, following three successive years of decline.

With the maintenance of a low attrition rate being a key strategic objective, Local Hospice Lottery reviewed its welcome call function and engaged with a new external partner as a crucial way of connecting with new members.

Following a consultation exercise with all stakeholder groups, Local Hospice Lottery introduced a £6 monthly product for all new subscribers, with all existing members also written to and provided with the option to upgrade their payment to the £6 product.

Alongside this change, from April 2026, the number of prizes was increased to enhance players' odds of winning.

Our people

Local Hospice Lottery was delighted to receive its second award as one of the "Best Workplaces in the charity and not for profit sector".

The new strategy, with a key stakeholder focus on people, aims to build on this success, developing Local Hospice Lottery as an employer of choice and further enhancing its culture to ensure staff have a voice, opportunity and influence.

Income generation compliance

Farleigh Hospice is registered with the Fundraising Regulator and complies fully with the Code of Fundraising Practice and the Fundraising Promise.

All fundraisers are aware of the importance of acting ethically and operating in line with both the Code and Farleigh Hospice values. Particular care is taken to ensure sensitivity when engaging with individuals who may be vulnerable, including those using our services.

The Finance and Income Generation Governance Committee (FIGGC) holds delegated responsibility from the Board to oversee fundraising and wider income generation activity.

Financial performance, including income against budget and prior year, is reviewed by the Committee, with key matters reported to the full Board.

Maintaining the highest standards of compliance remains a priority.

We continue to ensure full adherence to data protection requirements, with particular focus on the secure handling of supporter data, consent management and transparency in communications.

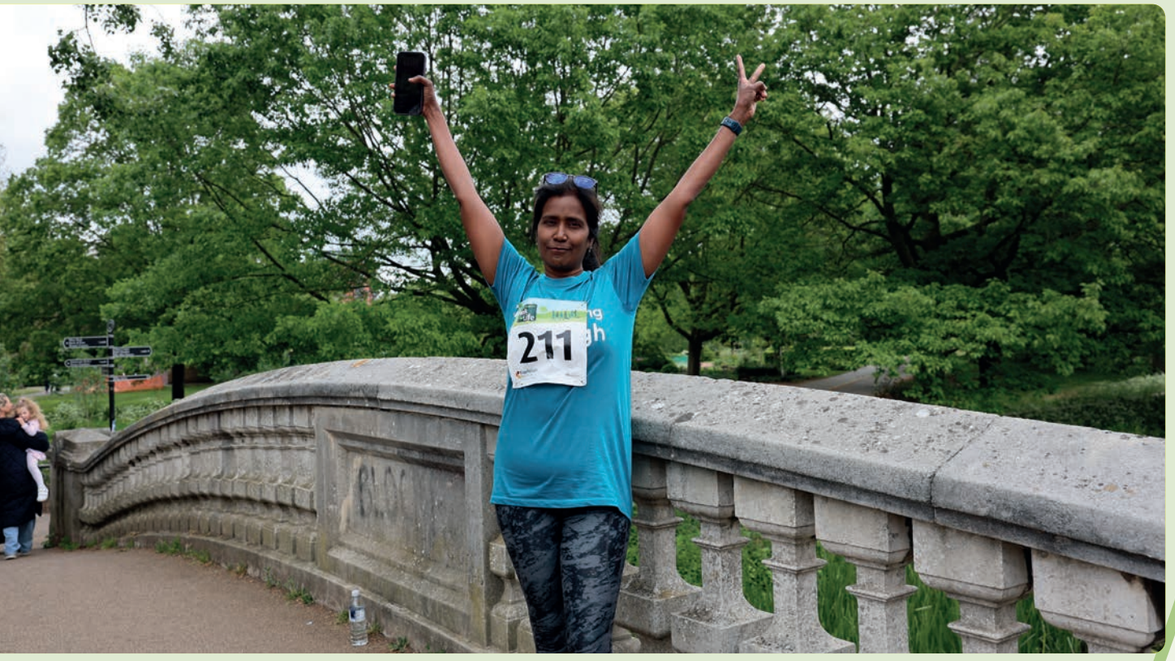
As our digital fundraising activity and e-commerce presence continue to grow, we are strengthening oversight of online platforms to ensure compliance with best practice.

We regularly review our communications to ensure they are appropriate, proportionate and aligned with supporter preferences.

We also continue to monitor developments in fundraising regulation to ensure our approach reflects emerging best practice.

During 2025/26, two complaints were received in relation to income generation activities in mid Essex.

While there were no serious concerns, in 2026/27 we will strengthen our income generation complaints procedure to ensure greater accuracy, including the capture of all levels of complaint, learning and continuous improvement.





Farleigh Hospice is registered with the Fundraising Preference Service, enabling individuals to opt out of receiving fundraising communications.

The Hospice does not employ third-party professional fundraisers or commercial participators.

However, Local Hospice Lottery, which supports Farleigh Hospice, works with a number of professional fundraisers.

These relationships are monitored in line with relevant fundraising and gambling regulations.

Local Hospice Lottery is registered with the Fundraising Regulator, licensed by the Gambling Commission, and is recognised as a 'Dementia Friend' organisation.

Farleigh Hospice remains committed to the highest standards of fundraising practice, ensuring that all activity is carried out with integrity, transparency and respect for our supporters.

Investments

The Trustees' investment policy is regularly reviewed by the FIGGC.

Funds required for short-term operational needs are held in deposit accounts and term cash deposits, with priority given to capital preservation and liquidity.

Funds held in excess of immediate requirements are invested in pooled investment schemes with CCLA and M&G, with the objective of protecting the value of the charity's reserves against the effects of inflation over the longer term.

The performance and suitability of these investments are regularly monitored by the FIGGC.

In making investment decisions, the trustees also have regard to ethical considerations and any potential reputational impact where investments may conflict with the charity's purposes or values.

Achievement of 2025-2026 goals

Increasing demand for care
Demand for hospice services has continued to grow, both in volume and complexity.

In response, Farleigh Hospice has taken a structured approach to adapting its services to ensure care remains responsive, sustainable and of the highest quality.

During the year, a comprehensive review of community services was progressed, providing greater clarity on capacity, demand and the effectiveness of multidisciplinary team working.

This is informing the development of a more consistent and sustainable model of care across localities.

Alongside this, the hospice has continued to evolve its service offer through the evaluation of new models of care, including wellbeing services, and the further development of its community workforce.

Patient and family engagement has been strengthened, ensuring that service development is informed by lived experience.

The hospice has also maintained a strong focus on quality and regulatory readiness, while continuing to play a leading role in collaborative working across the health and care system.

Together, these actions ensure that Farleigh Hospice remains well positioned to respond to increasing demand while maintaining compassionate, high-quality care.

Clarity on the role of the hospice
Farleigh Hospice continued to strengthen its role within the wider health and care system, ensuring it remains relevant, accessible and aligned to changing community need.

During the year, progress was made in developing a clearer articulation of the hospice's role and contribution, supported by improved use of data and performance insight.

Enhanced reporting and the development of organisational dashboards are strengthening decision-making and oversight.

In parallel, the hospice progressed its communications and supporter engagement approach, with a renewed focus on consistent messaging and clearer articulation of impact.

This work supports better engagement with patients, families, supporters and system partners, and provides a strong foundation for future service development.

Future workforce
Farleigh Hospice recognises that its people and volunteers are central to delivering high-quality care.

Strengthening workforce sustainability and capability therefore remained a key priority.

During the year, significant progress was made in implementing workforce plans, including organisational restructuring across key areas and alignment of staffing models with service demand.

This was supported by a continued focus on recruitment, retention and workforce development.

Work also progressed to strengthen leadership capability and organisational culture, alongside improvements in internal communications to support a more connected and informed workforce.

Collaborative approaches to workforce development were advanced, including partnerships that support shared learning and efficient use of resources.

Volunteers continue to play a vital role across the organisation, contributing significantly to the delivery of services and reinforcing the hospice's strong connection to its community.

Financial pressures
The hospice continued to operate within a challenging financial environment, requiring a disciplined and proactive approach to financial management and income generation.

The hospice progressed a range of initiatives to diversify and strengthen income.

This included the development of grant funding activity, capital investment programmes, and the advancement of longer-term fundraising and retail strategies.

Commercial services continue to evolve, supported by structural changes that provide a more robust platform for growth.

Significant progress was also made within the Local Hospice Lottery, including the successful review of prize and pricing structures.

This forms part of a wider programme to support sustainable income growth aligned to the lottery's 2030 Vision.

Taken together, these actions demonstrate a clear and active response to financial pressures, ensuring the hospice remains focused on long-term sustainability.



Financial review

Result for the year

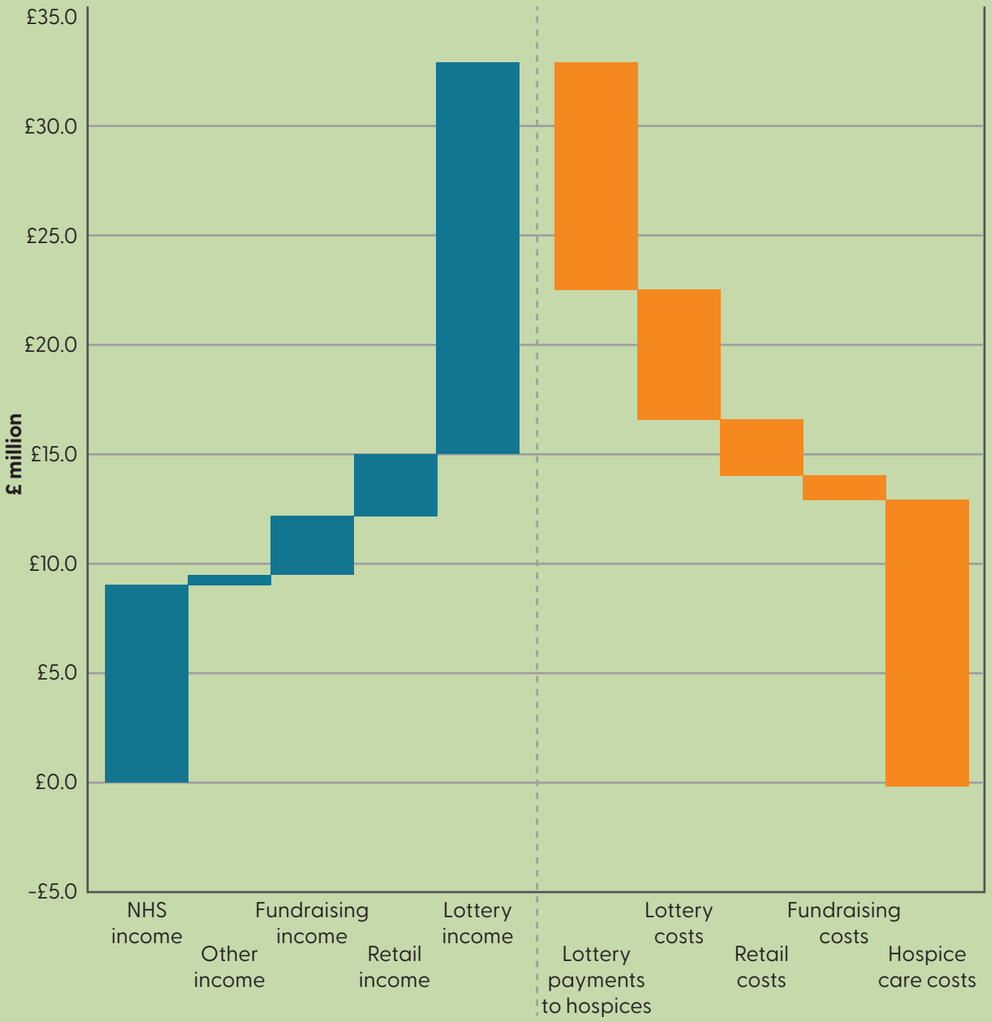
The overall result for the year was a surplus of £0.4m.

However, £0.7m related to restricted and designated fund movements, meaning free reserves reduced by approximately £0.3m.

Trustees had budgeted for short-term deficits as there were sufficient reserves to support planned activity and investment.

Farleigh Hospice subsidiaries both generated surpluses, with donations due to Farleigh Hospice relating to the year totalling more than £1.6m: Local Hospice Lottery £1.5m and Farleigh Supplies £0.1m.

Unrestricted income and spend for the year



Income

Local Hospice Lottery (LHL) achieved significant growth in 2025/26 with a record number of plays and players generating the highest revenue to date.

During the year, Local Hospice Lottery's turnover increased by 13% from £16.0m to £18.1m.

Local Hospice Lottery's contribution to hospice care accounted for 68% of the subsidiary company's turnover and totalled £12.2m, a 12.6% increase on the previous year (2024/25 £11m).

Contributions to Farleigh Hospice for use in mid Essex totalled £1.5m (2024/25: £1.3m) and comprised £0.3m as a participating hospice for its own lottery and £1.2 million as shareholder.

This was almost exactly as budgeted but was 21% higher than 2024/25.

Income from charitable activities is mostly from the NHS along with a grant from the Department of Health and Social Care (DHSC) specifically for capital works improving care.

The total increased by 15% (£1.4m) to £10.0m during the year.

This is primarily due to the continued Hospice Rapid Access Service (HRAS) contract (2025/26: £6.0m, 2024/25: £5.5m) and the DHSC grant (2025/26: £1.1m, 2024/25 £0.3m).

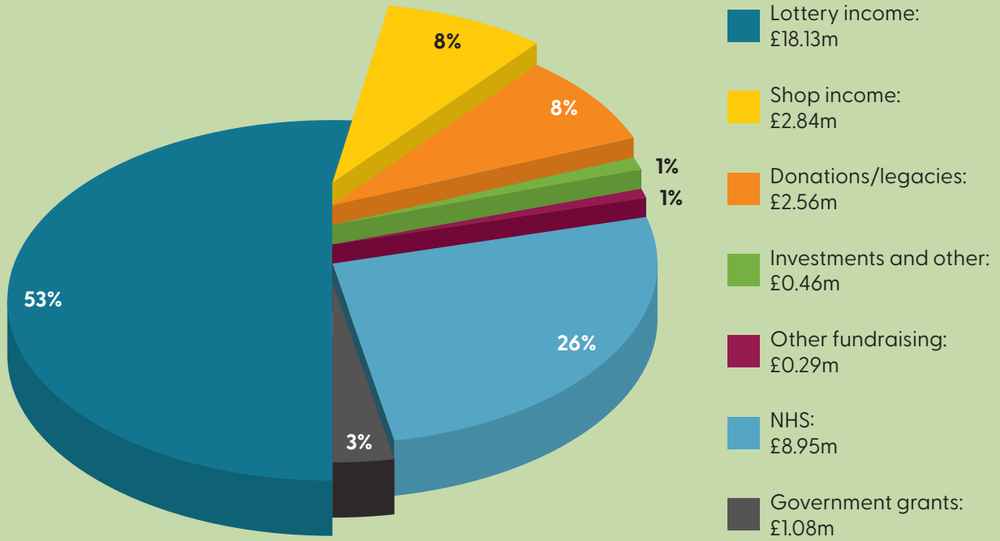
Income from donations (gifts) and legacies increased by £0.1m to £2.5m, reflecting a good result despite the volatility of legacy income.

Shop income was £2.8m, up £0.4m on the previous year.

Net profitability of the shops, after attribution of all overhead costs, remained at £0.3m.

Trustees continue to review this area to grow overall profitability alongside the significant increase in income over recent years.

Total group income for 2025/26 increased by £4.0m to a total of £34.2m*



* Income for the hospice was £17.4m (2024/25: £15.4m), including the £1.5m contribution from the lottery.

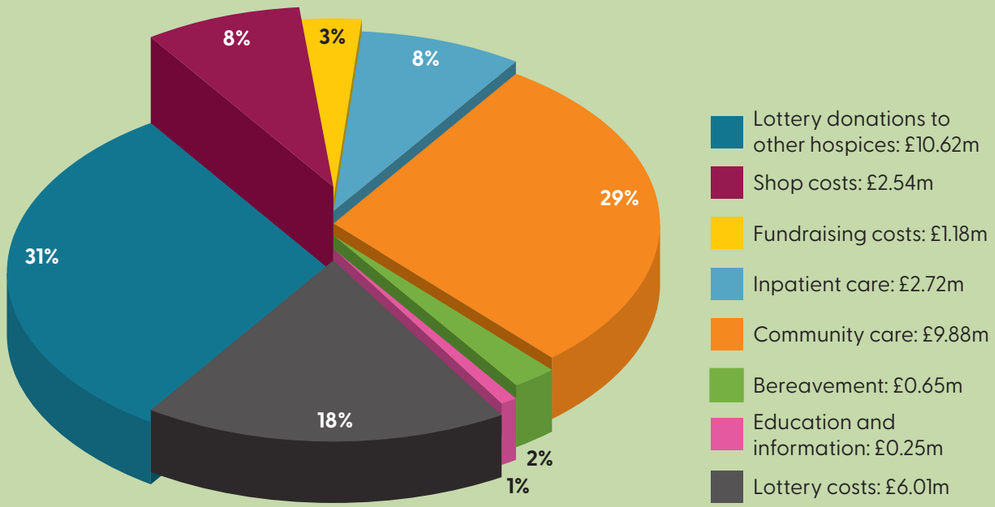
Charitable expenditure

Farleigh Hospice expenditure on its own charitable activities increased to £13.5m, a 3% increase on the 2024/25 spend of £13.1m.

Community care saw the biggest rise in costs in line with the increased funding and support through the HRAS contract.

LHL donations to partner hospices, to be used to further Farleigh Hospice's charitable objectives, increased by 11% from £9.7m to £10.8m.

Total group spend for 2025/26 increased by £2.7m to a total of £33.9m



Reserves policy

All charities are required to consider how much they need to hold in reserves.

The extent of these reserves varies depending on the scale and nature of the charity's activities.

Farleigh Hospice provides a range of critical health services on which the population of mid Essex depend.

To fund these services, it is reliant on a number of fluctuating income streams from donations, legacies and shop and lottery profits.

To enable Farleigh Hospice to meet its commitments to the community and provide key hospice services, it needs to maintain its level of reserves so that it can continue operations in the event that an unforeseen decrease in income or increase in costs results in a significant deficit.

The trustees carry out a risk-based analysis in arriving at the level of reserves needed to protect against unforeseen events.

This analysis considers the reserves that would be needed if there were a significant fall in income for eighteen months, taking account of the charity's reliance on a number of variable income streams and the need to maintain continuity of critical hospice services.

The minimum level of reserves set for the financial year was £3.7m.

Note 25 to the accounts shows that free unrestricted reserves were £5.2m (2024/25: £5.4m), a decrease of approximately £0.2m on the previous year.

Free reserves therefore remain above the target level set by trustees.

The trustees have set a deficit budget for 2026/27 and are considering further investment in commercial activities to support a more resilient and diversified income base.

The trustees continue to hold designated funds for fixed assets depreciation (£4.8m).

This includes the DHSC capital grant fund money (£1.3m).

The annual budget for 2026/27 has been reviewed by the Executive Team and scrutinised through the Finance and Income Generation Governance Committee before approval by the Board.

Financial performance is monitored through monthly management accounts, regular reporting to committees and the Board, and periodic reforecasting.

This enables trustees to assess whether performance remains within expected tolerances and to identify timely corrective action where required.

The trustees also consider downside scenarios and sensitivity analysis, including reduced voluntary income, lower legacy receipts, pressure on retail and lottery performance, changes in statutory funding and increases in staffing or operating costs.

In assessing these scenarios, trustees consider available mitigations, including phasing or deferring discretionary expenditure, active cost control, review of establishment, use of liquid investments where appropriate, and continued action to diversify and strengthen income generation.

After considering the latest financial modelling, cash flow forecasts, budget and reforecast information, reserves position, available resources and the mitigating actions available to management and trustees, the trustees consider that adequate resources continue to be available to fund the activities of Farleigh Hospice and the group for the foreseeable future.

The trustees are therefore satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

Going concern

The trustees have assessed the charity's and group's ability to continue as a going concern for the period of at least twelve months from the date of approval of these financial statements.

This assessment is considered separately from the reserves policy and is based on the latest approved budget, updated forecasts, cash flow projections and the financial position of the charity and its subsidiary undertakings.

The going concern review includes financial modelling of income, expenditure, cash and reserves across the planning period, supported by cash flow forecasting, budget review and periodic reforecasting.

Principal risks and uncertainties

Farleigh Hospice operates a formal risk management framework.

Strategic risks are reviewed regularly by the Executive Team, relevant committees and the Board, using the risk register and management reporting to assess likelihood, impact, timing and the strength of existing controls.

The Trustees have identified the following as the principal risks and uncertainties facing the charity and group at the date of this report.

These are the highest priority strategic risks, reflecting the current financial outlook, service demand, workforce pressures, regulatory requirements and the growth and complexity of group activities.

They are not an exhaustive list of all risks on the organisational risk register, which also includes areas such as information governance, cyber security, safeguarding, estates, business continuity, fraud, reputation and volunteer capacity.

The risk profile remains dynamic.

Wider risks are reviewed through the relevant committees and escalated to the Board where their likelihood, impact or control environment changes materially.

The Board will continue to review principal risks as the 2026–2029 strategy is implemented.



1. Financial sustainability, resilience and funding concentration

Nature of the risk
- Gap between statutory funding and cost of care means services cannot be sustained without income growth or cost action.
- Deficits, inflation and income volatility may erode reserves and constrain services or investment.
- Reliance on NHS, retail, fundraising, legacies and lottery income increases exposure to underperformance or loss.

Potential impact
- Service reduction or redesign.
- Workforce and care-quality pressure.
- Weaker resilience and short-term cashflow pressure.
- Slower lottery growth and supporter retention.

Current controls and assurance
- Three-year planning, budgeting and reforecasting.
- Cost and establishment controls.
- Diversified retail and commercial income.
- Reserves policy and monitoring.
- Competitive LHL product and market benchmarking.

Further actions planned
- Diversify sustainable income and strengthen existing sources.
- Stress-test legacies and other volatile income.
- Align services with financial capacity.
- Deliver structural savings.
- Review LHL contracts twice yearly; maintain attractive terms, prizes and affordability.

2. Demand for services, delivery risk and organisational capacity

Nature of the risk
- Rising and increasingly complex demand for home, rapid end-of-life and bereavement support may exceed capacity and resources.
- Growth in lottery activity, partner hospices and commercial operations may outpace group systems, controls, processes and staffing.

Potential impact
- Care prioritised for the most urgent cases.
- Longer waits or reduced access.
- Workforce pressure and strategic delivery risk.
- Inefficiency, disruption or constrained group growth.
- Strained support functions, weakening financial performance and stakeholder confidence.

Current controls and assurance
- Service prioritisation and clinical triage.
- Referral and activity monitoring.
- Workforce and resource planning, with capacity and infrastructure reviews as activity grows.
- Alternative care models.
- Group-wide performance and resource monitoring.

Further actions planned
- Implement the new strategy to clarify service priorities.
- Develop workforce and capacity plans, investing in scalable systems, processes and organisational design.
- Use data and demand modelling to guide decisions and service design.

3. Workforce capacity and resilience

Nature of the risk
- Recruiting, retaining and affording clinical, specialist and fundraising staff may restrict safe staffing and strategy delivery.

Potential impact
- More vacancies or temporary staffing.
- Burnout and lower morale.
- Reduced care quality, continuity and safety.
- Slower LHL player and income growth, reducing long-term hospice funding.

Current controls and assurance
- Workforce monitoring and establishment controls.
- Wellbeing and engagement initiatives.
- Stronger leadership and management structures.
- Competitive LHL rewards and a mix of employed, contracted and agency fundraisers.

Further actions planned
- Monitor staff and fundraiser rewards within financial limits.
- Invest in leadership and management development.
- Strengthen engagement, communication and retention during change.

4. NHS funding and external environment

Nature of the risk
- Changes to NHS structures, priorities, contracts or funding, including HRAS and palliative care, may destabilise statutory income.

Potential impact
- Reduced or uncertain funding.
- Weaker long-term planning and sustainability.
- Reduced service provision.

Current controls and assurance
- Engagement with the Integrated Care Board and system partners.
- Policy and funding monitoring.

Further actions planned
- Strengthen health and care system relationships.
- Model different funding scenarios.
- Influence commissioning by demonstrating hospice value.

5. Safety, Quality and Regulatory Compliance

Nature of the risk
- Failure to deliver safe, compassionate, high-quality services or meet CQC, NHS, charity, gambling, fundraising and data protection obligations.
- Growing regulatory complexity across care, fundraising, retail, lottery, data and employment increases operational pressure.

Potential impact
- Harm to patients, staff or volunteers.
- Regulatory action, penalties or reputational damage.
- Disruption, lost income and weaker long-term sustainability.

Current controls and assurance
- Clinical governance and incident reporting.
- Dedicated compliance staff monitor obligations and regulatory change.
- Structured policy reviews and mandatory training.

Further actions planned
- Strengthen governance, assurance and reporting.
- Implement emerging regulatory requirements.
- Improve training compliance and assurance reporting.

6. Environmental and climate considerations

Nature of the risk
- Climate factors, energy costs and sustainability expectations may affect operations and costs.

Potential impact
- Higher operating costs.
- Changes to estates and working practices.

Current controls and assurance
- Energy use and cost monitoring.
- Environmental factors considered in operational decisions.

Further actions planned
- Review environmental sustainability and related risks.
- Identify proportionate actions within available resources.

Plans for the future

Farleigh Hospice adopted a new strategy for the period 1 April 2026 to 31 March 2029, setting out how the organisation will respond to increasing demand for palliative and end of life care while remaining sustainable, inclusive and effective.

This strategy was not developed in isolation, but through extensive and meaningful engagement with our staff, volunteers, local health and social care partners, stakeholders and the wider community we serve.

Over the past year, we undertook a comprehensive programme of consultation and co-design, ensuring that the voices of those who deliver and receive our care were central to our future direction.

Through workshops, listening events, surveys, partnership discussions and focused engagement sessions, we heard clearly what matters most: timely access to compassionate care, support closer to home, improved coordination between services, and a more inclusive and equitable approach to hospice care across mid Essex.

These insights directly shaped the priorities and ambitions set out in our new strategy[2].

A strong and consistent message emerged throughout this engagement: hospice care is everyone's business.

It is not a standalone service, but an integral part of a wider system of care that works best when it is connected, collaborative and community focused.

We are therefore committed to strengthening our role within local neighbourhood teams and deepening our partnerships with primary care, community health services, social care, voluntary organisations and acute providers.

This direction of travel aligns closely with the NHS 'Left Shift' agenda, with its emphasis on moving care from hospital to community, from treatment to prevention, and from analogue to digital approaches.

It also reflects the development of the Neighbourhood Team model and the wider transformation of health and care services within the Essex Integrated Care Board.

In addition, we are mindful of forthcoming changes across local government structures in Essex, and we see real opportunity in working more closely across evolving systems to ensure that end of life care and bereavement support are fully embedded within local place-based approaches.

We firmly believe that by strengthening collaboration across local services and building resilient, well-connected neighbourhood teams, we can make hospice care more accessible, more inclusive, and better able to meet the growing and changing demand for end of life care in our communities.

This approach will enable earlier identification of need, more proactive support, and a more seamless experience for patients and families at every stage of their journey.

Our new Model of Care has been developed alongside our strategy to provide a proactive and personalised approach to a person's care.

It enables us to care for people and their loved ones at a much earlier stage; working collaboratively and innovatively with other care providers and our local community to help people to build the social connections they need to feel supported.

[2] https://farleighhospice.org/who-we-are/about-us/our-strategy-2026-2029/

Our model of care

STAY WELL

Empowering people to live well

- Focussing on what matters most to each person
- Social connectedness
- Physio and therapy-led sessions
- Support with physical symptoms
- Emotional and practical support

LIVE WELL

Providing early support following a diagnosis

- Help with planning for the future
- Groups and activities that support wellbeing
- Safe spaces to meet and share experiences with others, and talk to professionals

MAKING A DIFFERENCE TOGETHER

Empowering our community and building resilience through connection, collaboration and care.

DIE WELL

Supporting people in the last days and weeks of life

- Providing compassionate end of life care with a focus on comfort and dignity
- Emotional, physical and spiritual support
- Shared decision-making
- Supporting families through grief

Underpinned by

Earlier access to community-led care following diagnosis with a life-limiting illness

Working collaboratively with health, social care and community teams to deliver high quality end of life care

Supporting underserved and underrepresented communities at end of life

As we move into the next phase of our development, we remain ambitious for what hospice care can be.

We will continue to innovate, to listen, and to work in partnership to ensure that Farleigh Hospice remains a trusted and essential part of the local health and care system.

Above all, we remain committed to ensuring that every person who needs our care receives it with dignity, compassion and without delay.

The strategy is rooted in a shared commitment to Making a Difference Together, ensuring that people affected by life limiting illness across mid Essex can access high quality, compassionate care when and where they need it.

Delivery of the strategy is structured around four strategic priorities, each supported by clear outcomes that will guide decision making and measure progress over the coming years.

Our strategic priorities

Our care
Providing the right support, at the right time, by the right people.

Delivering care that is compassionate, responsive, innovative and tailored to the needs of each individual and their family.

Our people
Valuing, developing and empowering our staff and volunteers to ensure everyone has the skills, support and resources to deliver outstanding care and support to our community.

Our community
Listening to, engaging with, and responding to the needs of our local community.

Building strong relationships, raising awareness and ensuring equitable access to care and support.

Our sustainability
Securing the hospice's long-term future through strong relationships with supporters, donors, partners and customers.

Ensuring strong financial management, operational efficiency and sustainable growth by investing in facilities, people and infrastructure.

Underpinned by

- Data driven decision making
- Community engagement
- Collaboration and partnerships
- Innovation

Through this strategy, Farleigh Hospice seeks to remain focused, resilient and responsive in a changing environment.

By delivering against these four priorities and their associated outcomes, the hospice will continue to support patients, families and carers across mid Essex, while building a strong foundation for the future.

Local Hospice Lottery's key aims for 2026/27 are to continue to achieve the plans set out in 2030 Vision, increasing its contribution to hospice care, maintaining the improved level of sales seen in 2025/26; meeting the profit expectations of Farleigh Hospice and delivering increasing levels of donations to partner hospices.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 4 May 1982 and registered as a charity on 5 May 1982.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is now governed under its Articles of Association.

Company number	01619905 (incorporated in England and Wales)	
Charity number	284670 (registered in England and Wales)	
Registered office and operational address	Farleigh Hospice, North Court Road, Chelmsford, Essex CM1 7FH	
Bankers	Lloyds Bank plc	79/80 High Street, Chelmsford CM1 1DU
Solicitors	Bates Wells	10 Queen Street Place, London EC4R 1BE
Auditors	Crowe UK LLP	Statutory Auditor, Fourth Floor, St James House St James Square, Cheltenham GL50 3PR

Trustees — *Trustees, also directors under company law, that served during the year and up to the date of this report were as follows:*

Sarah Glew	(1) (2) (3) (4) (6) (7) Chair, Chair BGC, Chair FIGGC, Chair FSL
Keith Spiller	(1) (2) (3) (4) (6) (7) Chair, Chair BGC, Chair FSLB. Resigned 1st December 2025
John Sweeney	(5) (6) (7) Chair LHL
Dr Donald McGeachy	(1) (6) (7) Chair CLGC
Simon Waters	(2) Chair CPGC. Appointed 1 December 2025
Katie Lockwood	(2) (6) (7) Chair CPGC Resigned 1st December 2025
Christopher Tilley	(4)
Mark Leach	(2) (3)
Jake Mason	(4)
Caroline Rassell	(4)
Nina Smaller	(1)
Sonia Watts	(1)
Julie Withnall	(2) (7)
Charlotte Williams	(4) Appointed 1 December 2025
Tracey Dickens	(5) Resigned 1 April 2026

Independent director of Local Hospice Lottery Ltd	Emma Wraight	(5)
Independent director of Farleigh Supplies Ltd	David Blainey	(3)
Subsidiary boards and committees	(1) Clinical Governance Committee (CLGC) (2) Corporate and People Governance Committee (CPGC) (3) Farleigh Supplies Limited Board (FSLB) (4) Financial and Income Generation Governance Committee (FIGGC) (5) Local Hospice Lottery Ltd Board (LHL) (6) Board Governance Committee (BGC) (7) Remuneration Committee (RemCo)	
Key management personnel:		
Farleigh Hospice	Michelle Kabia	Chief Executive (1) (2) (3) (4) (5) (6) (7) Company Director Local Hospice Lottery Ltd Company Director Farleigh Supplies Limited
	Sharon Ellingham	Retired 31 March 2026 Finance Director, Company Secretary (3) (4) (5) (6) Company Secretary and Company Director Local Hospice Lottery Ltd., Company Secretary and Company Director Farleigh Supplies Limited
	Stephen Turner	Appointed 25 March 2026 Group Finance Director and Company Secretary (3) (4) (5) (6) Company Secretary and Company Director Local Hospice Lottery Ltd Company Secretary and Company Director Farleigh Supplies Limited
	Irene Ferguson	Corporate Services Director (2)
	Pauline Harvey-Jones	Resigned 18 September 2025 (4) Commercial Director
	Jennifer Danson	Appointed 2 March 2026 (3) (4) Director of Income Generation
	Dr Eva Lew	Medical Director (1)
	Ellie Miller	Director of Care (1)
Local Hospice Lottery Ltd	Gary Hawkes	Chief Executive Officer (5)
	Stephen Cain	Director of Finance & Operations (4) (5) Company Director Local Hospice Lottery Ltd



Trustees

All trustees give their time voluntarily and receive no benefits from the charity.

Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Day-to-day management is delegated to the chief executive and the Executive Team.

Farleigh Hospice is governed by a Board of Trustees who are also directors of the company.

The maximum number of directors is set at 14 in the Articles of Association.

The trustees are mindful of the Charity Governance Code recommendation that the maximum number of trustees should be 12, however, to adequately resource the Committee structure and the subsidiary governance requirements, 14 trustees remains as the target.

At 31 March 2026, 13 Trustees were in post.

During the year, the Board undertook a self-assessment against the revised Charity Governance Code (November 2025) to review current governance arrangements and identify opportunities for further development.

This process enabled the Board to reflect on its effectiveness, leadership, diversity, decision-making, accountability, and oversight across the eight principles of the Code.

Eight principles of the Code



The outcome of this review has informed the development of a robust governance action plan, which will be delivered in partnership with trustees and senior leadership.

Farleigh Hospice is committed to continuous improvement and will continue to strengthen its systems, structures, policies, and compliance arrangements to ensure alignment with the principles and expectations set out within the revised Code and to support the long-term sustainability and effectiveness of the organisation.

Appointment of trustees

When vacancies occur, trustees are recruited using a widespread recruitment campaign or in response to an approach by an interested party.

They are interviewed by existing board members and a staff representative.

If suitable, having the right breadth of skills and experience, they will attend three board or committee meetings and will then join the board if they and the rest of the board agree.

Trustees can serve a maximum term of nine years.

Trustees are initially co-opted to the board, but they stand down at the next AGM to be formally re-elected by the members.

They do this again at three and six years and then formally stand down at the end of the ninth year.

Trustee induction and training

New trustees are supplied with a comprehensive induction pack and meetings arranged with key members of staff.

They also have an existing board member to act as a mentor.

Full board training is carried out as required, delivered by an appropriately qualified Farleigh Hospice staff member or an expert from within the board.

External courses and opportunities to attend workshops and conferences are offered as opportunities arise.

Each board meeting includes either a patient story or a presentation from a member of staff relating to the services they deliver.

Chair

Trustees elect a chair from within their numbers.

The terms of office for each position is three years with an option to stand for a second term only.

The current chair is Sarah Glew, who will come to the end of her term in office in September 2028.

Related parties and relationships with other organisations

None of the trustees receive remuneration or other benefit from their work with the charity.

Farleigh Hospice requires trustees and executive directors to declare any interests that they may have outside of the charity.

Transactions and contractual relationships with related parties must be disclosed.

During the year the Local Hospice Lottery Ltd paid £385 (2025: £385) for annual membership of the Lotteries Council, of which G Hawkes (a director of Local Hospice Lottery Ltd) is a member of their Public Affairs Committee.

The hospice has a close working relationship with Mid and South Essex NHS Foundation Trust, which runs Broomfield Hospital, which is on a neighbouring site.

The palliative care medical consultants who work at Farleigh Hospice are supplied under a Service Level Agreement with the trust.

The charity has two trading subsidiaries.

Local Hospice Lottery Ltd runs a weekly lottery on behalf of Farleigh Hospice and a number of other hospices.

Donations to those other hospices are made as part of the contractual relationship with these hospices.

These donations must be used to further Farleigh Hospice's Charitable Objectives.

The other hospices as at 31 March 2026 are listed in note 7 of the accounts.

Farleigh Supplies Limited is another wholly owned subsidiary.

This trades in new goods and operates the Farleigh Hospice retail Gift Aid scheme.

Farleigh Supplies also operates the House Clearance Company, which provides clearance and reuse services to the community, and Deliver Digital, an IT service.

Remuneration policy for key management personnel

For Farleigh Hospice, the Remuneration Committee considers the pay and terms and conditions of the key management personnel listed above.

Although this committee consists of a subset of the board any decisions are taken by the full board.

Pay is benchmarked by individual posts against roles in similar organisations through an external benchmarking process using an independent company.

Equality and diversity

The trustees are committed to creating an inclusive environment where diversity is recognised and celebrated, amongst our staff and service users.

Farleigh Hospice is committed to ensuring that services and employment opportunities are accessible by all regardless of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Farleigh Hospice operates an Equal Opportunities policy and expects all staff to share this commitment in relation to employment and service delivery.

As part of this commitment the hospice employs safer recruitment practices to ensure equality of access to all candidates, fair and consistent recruitment methods to enable candidates to be their best and make reasonable adjustments to support disabilities both through recruitment and also to retain employment.

All employees and volunteers are treated equally.

Selection for employment, promotion, training or any other benefit is on the basis of aptitude and ability.

Should any staff member become disabled reasonable effort is made to continue their employment and where necessary provide suitable adjustments and support.

Employee information

Farleigh Hospice continues to participate in the Best Companies staff survey.

In the most recent pulse survey, we retained our One Star accreditation, recognising Farleigh as a "Very Good" organisation to work for.

This was achieved against a backdrop of significant organisational change, including an interim chief executive and a period of consultation to develop our new strategic direction.

Staff remain strongly committed to Farleigh's purpose.

Feedback continues to show that contributing to the local community is a key source of motivation, and employees take pride in the impact of their work.

Satisfaction with line management also remains high, indicating a stable and supportive leadership experience at team level.

However, some measures softened compared to the prior year.

In particular, scores relating to clarity of organisational purpose declined, which is consistent with the period of strategic consultation and transition.

There was also a reduction in employees' perception of a fair deal on pay and benefits, reflecting wider external market pressures, including NHS pay increases.

Overall, the results indicate a workforce that remains highly engaged and aligned to Farleigh's mission, but where there is a clear need to strengthen clarity of direction and address reward competitiveness as the new strategy is embedded.

For the second year running Local Hospice Lottery took part in the Great Workplaces survey.

The survey results led to Local Hospice Lottery again being certified as a Great Place to Work, exceeding the 65% benchmark with an average score of 78%, and achieving an award for Best Workplaces in the charity and not for profit sector.

Staff scored the company particularly highly in the areas of justice, (91%), corporate image (83%) and pride (81%), with 93% 'feel(ing) good about the ways in which (the company) contribute(s) to the community'.

Environmental sustainability

The hospice has a green group who look at sustainability across the hospice, including waste management and reducing carbon emissions by various energy saving initiatives.

As part of the government Capital Grant programme for hospices, Farleigh Hospice was able to install solar panels at North Court Road, which have already made a positive impact on reducing cost and our environmental footprint.

Due to its size, Farleigh Hospice is not currently required to disclose specific environmental measures.

However, from December 2026 Farleigh will be required to submit its ESOS action plan, and preparation for this has been undertaken through our Green Strategy.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £5 to the assets of the charity in the event of winding up.

Members pay their guarantee on joining the charity and it is held separately in a members' guarantee fund.

The total number of such guarantees at 31 March 2026 was 92 (2025: 90).

The trustees are members of the charity, but this entitles them only to voting rights.

The trustees have no beneficial interest in the charity.

The Trustees' Annual Report, which includes the strategic report, has been approved by the trustees on 3 August 2026 and signed on their behalf by Sarah Glew.

S. A. Glew

Sarah Glew
Chair



Independent auditor's report to the members of Farleigh Hospice

Opinion

We have audited the financial statements of Farleigh Hospice (the "charitable company") and its subsidiaries (the "group") for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2026 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report.

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent 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

The trustees (who are also the directors of the 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members.

We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and tax regulations.

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable company's and group's ability to operate or to avoid a material penalty.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

The laws and regulations we considered in this context were General Data Protection Regulation, Taxation legislation, the Fundraising Regulator, the Gambling Commission and Care Quality Commission regulations.

We also considered the opportunities and incentives that may exist within the charitable company and group for fraud.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, legacy income and the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on grant income and legacy income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Care Quality Commission and Gambling Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

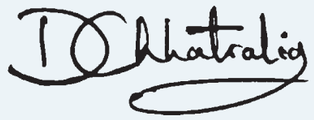
We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Dipesh Chhatralia
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London EC4M 7JW

Date:

Consolidated statement of financial activities (incorporating a consolidated income and expenditure account)

For the year ended 31st March 2026

Income from:	Note	Unrestricted £000	All Restricted £000	2026 Total £000	Unrestricted £000	All Restricted £000	2025 Total £000
Donations and legacies	2	2,506	52	**2,558**	2,329	99	2,428
Charitable activities	3	8,951	1,083	**10,034**	8,263	425	8,688
Other trading activities							
Lottery Income		18,129	-	**18,129**	16,012	-	16,012
Shop Income		2,843	-	**2,843**	2,425	-	2,425
Other fundraising activities	4	286	-	**286**	272	3	275
Investments	5	253	-	**253**	366	-	366
Other		81	-	**81**	54	-	54
Total income		33,049	1,135	**34,185**	29,721	527	30,248
Expenditure on:							
Raising funds							
Lottery Costs	6	6,014	-	**6,014**	5,280	-	5,280
Shop Costs	6	2,536	-	**2,536**	2,168	-	2,168
Fundraising Costs	6	1,178	-	**1,178**	1,134	3	1,137
Income available for charitable activities		23,322	1,135	**24,457**	21,139	524	21,633
Charitable Activities							
Farleigh Hospice							
Inpatient Care	6	2,604	119	**2,723**	2,752	74	2,826
Community Care	6	9,682	202	**9,884**	9,362	84	9,446
Bereavement	6	644	9	**653**	525	2	527
Education and Information	6	248	-	**248**	259	-	259
Tax payable by subsidiaries	12	-	-	**-**	-	-	-
Local Hospice Lottery Ltd donations to hospice care	6,7	10,624	-	**10,624**	9,536	-	9,536
Total expenditure		33,530	329	**33,859**	31,016	163	31,179
Net (expenditure) / income before net gains / (losses) on investments		(480)	806	**326**	(1,295)	364	(931)
Net gains/(losses) on investments		144	(20)	**124**	1	(12)	(11)
Net (expenditure) / income for the year and net movement in funds	8	(336)	786	**450**	(1,294)	352	(942)
Transfers between funds		1,037	(1,038)	**(1)**	268	(268)	-
Reconciliation of funds:							
Total funds brought forward		9,303	2,780	**12,083**	10,329	2,696	13,025
Total funds carried forward		10,004	2,528	**12,532**	9,303	2,780	12,0835

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 25 to the financial statements.

Balance sheets as at 31st March 2026

Company no. 01619905

	Note	The group 2026 £000	2025 £000	The charity 2026 £000	2025 £000
Fixed assets					
Tangible assets	13	**6,820**	5,970	**6,727**	5,887
Intangible assets	14	**115**	-	**115**	-
Investments	15	**2,760**	2,565	**2,760**	2,565
		9,695	8,535	**9,601**	8,452
Current assets:					
Stock	18	**24**	16	**-**	-
Debtors	19	**2,309**	1,826	**1,823**	1,311
Investments	20	**1,828**	1,673	**12**	12
Cash at bank and in hand		**4,148**	5,239	**2,763**	3,999
		8,309	8,754	**4,598**	5,322
Liabilities:					
Creditors: amounts falling due within one year	21	**(5,470)**	(5,206)	**(1,868)**	(1,716)
Net current assets		**2,839**	3,548	**2,730**	3,606
Net assets		**12,533**	12,083	**12,331**	12,058
Funds					
Restricted endowment funds	25	**2,395**	2,486	**2,395**	2,486
Restricted income funds	25	**134**	294	**134**	294
Unrestricted income funds					
Designated Funds	25	**4,790**	3,870	**4,790**	3,870
General funds	25	**5,214**	5,433	**5,189**	5,416
Total unrestricted funds		**10,004**	9,303	**9,979**	9,286
Total funds		**12,533**	12,083	**12,508**	12,066

Approved by the trustees on 3rd August 2026 and signed on their behalf by

S. A. Glew

S Glew
Chair

Consolidated statement of cash flows

for the year ended 31st March 2026

	Note	**2026 Total £000**	**2026 Total £000**	2025 Total £000	2025 Total £000
Net cash provided by operating activities	26		63		(901)
Cash flows from investing activities:					
Dividends and interest from investments		253		366	
Proceeds from the sale of fixed assets		-		-	
Purchase of tangible fixed assets		(1,068)		(354)	
Purchase of intangible fixed assets		(115)		(354)	
Purchase of investments		(226)		1,527	
Net cash used in investing activities			(1,154)		1,539
Change in cash and cash equivalents in the year			(1,091)		638
Cash and cash equivalents at the beginning of the year			5,239		4,601
Cash and cash equivalents at the end of the year	27		4,148		5,239



Consolidated statement of cash flows

for the year ended 31st March 2026

1 Accounting policies

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

a) Basis of preparation

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

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

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries Local Hospice Lottery Ltd and Farleigh Supplies Limited on a line by line basis.

Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements.

Balances between the companies are disclosed in the notes of the charitable company's balance sheet.

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

b) Public benefit entity

Farleigh Hospice meets the definition of a public benefit entity under FRS 102.

c) Going concern and key judgements

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

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 items in the financial statements where these estimates and judgements have been made include the following:

i) Useful economic lives of tangible assets
See Note 13 for the carrying amount of tangible assets and accounting policy k for the useful lives of each class of asset.

ii) Accrued legacy income
See accounting policy d where this is set out in full.

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

d) 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.

For the majority of income this will be on a cash received basis.

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

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 from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are shown as accrued income in debtors.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable and measurable when the amount can be measured reliably and there are no potential claims against 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 a treated as a contingent asset and disclosed if material.

Sponsorship from events and fundraising is recognised in income when the event takes place.

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

Trading income is recognised at the point of sale for both donated and purchased goods.

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

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

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

Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed because the Trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold and undertaking a stock-take would incur cost for the charity which would far outweigh the benefits.

f) Interest and dividends receivable

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor.

Expenditure which meets these criteria is charged to the fund.

Endowment funds are gifts of capital that must be retained and any income earned must be used in furtherance of Farleigh Hospice's charitable activities.

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

They are available to spend on activities that further any of the purposes of the charity.

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

The cost of raising and administering such funds are charged against the specific fund.

The aim and use of each material designated fund and restricted fund is set out in the notes to the financial statements.

h) Expenditure and irrecoverable VAT

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

Expenditure is classified, on an accruals basis, under the following activity headings:

i) Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any trading and other activities with a fundraising purpose, including those for Local Hospice Lottery Ltd.

ii) Expenditure on charitable activities includes the costs of specialist palliative care and bereavement support undertaken to further the purposes of the charity and their associated support costs.

iii) 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.

i) Allocation of support costs

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

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of estimates, based on staff time, of the amount attributable to each activity.

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.

j) Operating leases

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

Benefits received or receivable as an incentive to sign an operating lease are recognised on a straight line basis over the minimum period of the lease. Farleigh Hospice classifies the lease of printing equipment as an operating lease and payments are recognised as incurred.

k) Tangible and intangible fixed assets

Individual Fixed Assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated expected useful life as follows:

Tangible

- Buildings (75 years)
- Long leasehold property (99 years)
- Short leasehold property improvements (3 to 5 years)
- Building Improvements (10 years)
- Computers and equipment (5 years)
- Motor vehicles (4 years)

Because of its high net residual value land is not depreciated.

Intangible

- Software, including Farleigh website (7 years)

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

l) Fixed asset 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 valuation.

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

Investments in subsidiaries are included at cost.

m) Stocks

Stock of bought in retail goods is included at the lower of cost or net realisable value.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

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

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Current asset investments

Investments include cash with a maturity date of greater than three months but less than one year.

q) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

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

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

r) Pensions

Staff joining from the NHS can choose to continue their membership of the NHS pension scheme.

The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies allowed under the direction of the Secretary of State, in England and Wales.

Any deficit on the scheme is funded by the Treasury and an increase in future contributions.

The scheme is therefore treated as a defined contribution scheme.

The employer's contributions made to the scheme in 2026 were £325,000 (2025:£333,000) with an employer's contribution rate of 14.38% of pensionable pay and employees' contributions between 5% and 13.5% of pensionable pay depending on the level of pay.

The trustees are satisfied that this and other foreseeable changes in employer's contribution rates can be budgeted for without detriment to the charity's ongoing activities.

All employees are entitled to join a defined contribution 'money purchase scheme' operated by Scottish Widows.

Farleigh Hospice employers' contributions for the year were £302,000 (2025: £286,000). Employer's contributions are either 4%, 5% or 7% and employees' contributions are either 4% or 6%.

Farleigh Hospice acts as an agent in collecting and paying over contributions.

The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

For both schemes the costs are included with the associated staff costs and allocated to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity. All employer contributions are expensed as they fall due.

s) Financial instruments

Except for listed investments, all the group's financial instruments, both assets and liabilities, are measured at settlement value.

Listed investments are recognised at market value. Financial assets include cash at bank and in hand, trade and other debtors and accrued income.

Financial liabilities include trade and other creditors and accruals. The carrying values are shown in notes 14,18,19 and 20.

2 Income from donations and legacies

	Unrestricted £000	All restricted £000	**2026 Total £000**	Unrestricted £000	All restricted £000	2025 Total £000
Donations	1,791	52	**1,833**	1,734	99	1,833
Legacies	714	-	**595**	595	-	595
	2,506	52	**2,428**	2,329	99	2,428

Farleigh Hospice benefits greatly from the many hours our dedicated volunteers donate in a large number of
different roles within the hospice.

Further details of the volunteer contributions are given in the Trustees' Report. In accordance with FRS102 and the charities SORP (FRS102), the economic benefit of general volunteers is not recognised in the accounts.

No restricted legacies were received in 2026 (2025: 0).

In 2026, gifts totalling £52,000 were received, the purpose of which was restricted to IPU (£16,000), MND Co-ordinator (£13,000), Bereavement (£9,000), Clinical Nurse Specialists (£5,000) and geographical areas (£6,000).

The balance (£3,000) relates to a number of smaller projects.

In 2025, gifts totalling £99,000 were received, the purpose of which was restricted to IPU (£42,000), Clinical Nurse Specialists (£9,000), Maldon Refurbishment (£22,000) and geographical areas (£12,000). The balance (£14,000) relates to a number of smaller projects.

As at 31st March 2026 the charity had been notified of residuary legacies where the value of these estates was uncertain as the executors had not yet compiled the estate accounts or because the executors are awaiting information on any claims to be made on these estates.

Therefore no amount has been accrued in respect of these legacies which are estimated to be in excess of £383,000 (2025: £316,000).

3 Income from charitable activities

	2026 Total £000	2025 Total £000
Government Funding		
Core funding - Mid and South Essex ICB	**2,826**	2,612
Reimbursement of pharmacy costs - Mid and South Essex ICB	**88**	103
Enhanced End of Life funding - Mid and South Essex ICB	**-**	-
Rapid Access to End of Life funding - Mid and South Essex ICB	**-**	-
Hospice Rapid Access Service (HRAS) - Mid and South Essex ICB	**6,022**	5,513
Winter beds - Mid and South Essex ICB	**-**	-
Other funding - Mid and South Essex ICB	**-**	177
Core funding - Hertfordshire and West Essex ICB	**15**	15
Department of Health and Social Care (DHSC) Capital Grant Scheme administered by Hospice UK	**1,083**	268
	10,034	8,688

All income from charitable activities, apart from the DHSC Capital Grant, relates to unrestricted funds.

Total restricted funds are £1,083,000 (2025:£425,000).

Core funding relates to a contract with the Mid and South Essex ICB which supports the inpatient unit, community care and bereavement.

During the year the additional funding from Mid Essex and South Essex ICB to support in reach services into the local hospital and support patients at home (Enhanced End of Life) has been rolled into the core contract.

Funding is also received under the HRAS contract to provide care for those patients in the last three months of life who are rapidly deteriorating.

Until 31st August 2023 this service was provided under the Rapid Access to End of Life Funding and was for domiciliary care only.

In the summer of 2023 a new HRAS service was launched, under the HRAS contract Farleigh Hospice places patients in Farleigh Hospice inpatient beds or nursing home beds and carries out domiciliary care to rapidly deteriorating patients in the last three months of life.

This service is fully funded by the ICB.

The core and HRAS contracts run concurrently with contracts due to expire on 31st July 2027 with an extension to 31st July 2028 if agreed.

4 Income from other trading activities

	Unrestricted £000	All restricted £000	**2026 Total £000**	Unrestricted £000	All restricted £000	2025 Total £000
Fundraising Events	286	-	**286**	272	3	275
	286	-	**286**	272	3	275

No restricted income events were held in 2026 (2025 none).

Income from Friends of Farleigh for the year was nil (2025 £3,000) this is dealt with directly by the Friends and is held in a restricted fund until a donation is made directly to Farleigh Hospice.

All other trading income is unrestricted.

5 Income from investments

	Unrestricted £000	All restricted £000	**2026 Total £000**	2025 Total £000
Bank Interest	142	-	**142**	263
Income received on common investment funds	111	-	**111**	103
	253	-	**253**	366

All income from investments in the prior year relates to unrestricted funds.

6 Analysis of expenditure 2026

		Support costs					2026	2025
	Direct Costs £000	HR £000	Management £000	IT £000	Finance £000	Governance £000	**Total £000**	Total £000
Fundraising costs	1,034	47	20	42	22	12	**1,178**	1,137
Shops Costs	2,155	129	56	117	46	34	**2,536**	2,168
Lottery costs	5,279	234	132	123	231	15	**6,014**	5,280
Raising funds	8,468	410	208	282	299	61	**9,727**	8,585
Local Hospice Lottery Ltd donations to hospice care (Note 7)	10,624	-	-	-	-	-	**10,624**	9,536
Inpatient Care	2,452	84	36	76	52	22	**2,723**	2,826
Community Care	9,009	263	114	238	191	68	**9,884**	9,446
Bereavement	569	28	12	25	12	7	**653**	527
Education & Information	224	8	3	7	5	2	**248**	259
Charitable Activities	12,225	383	166	345	260	99	**13,508**	13,058
Total e xpenditure 2026	**31,346**	**793**	**374**	**627**	**558**	**160**	**33,859**	31,179
Total expenditure 2025	28,791	842	331	640	495	80	31,179	

Of the total expenditure, £33,529,000 was unrestricted (2025: £31,016,000) and £329,000 was restricted (2025: £163,000).

6 Analysis of expenditure 2025

		Support costs					2025
	Direct Costs £000	HR £000	Management £000	IT £000	Finance £000	Governance £000	**Total £000**
Fundraising costs	951	51	19	62	48	6	**1,137**
Shops Costs	1,889	133	9	82	40	15	**2,168**
Lottery costs	4,524	231	165	125	224	11	**5,280**
Raising funds	7,364	415	193	269	312	32	**8,585**
Local Hospice Lottery Ltd donations to hospice care (Note 7)	9,536	-	-	-	-	-	**9,536**
Inpatient Care	2,591	98	31	53	42	11	**2,826**
Community Care	8,622	290	94	283	124	33	**9,446**
Bereavement	445	30	10	26	13	3	**527**
Education & Information	233	9	3	9	4	1	**259**
Charitable Activities	11,891	427	138	371	183	48	**13,058**
Total expenditure 2025	**28,791**	**842**	**331**	**667**	**495**	**80**	**31,179**

Of the total expenditure, £31,016,000 was unrestricted (2024: £27,109,000) and £163,000 was restricted (2024: £225,000).

7 Local Hospice Lottery Ltd donations to hospice care

Local Hospice Lottery Ltd makes donations to the following hospices (other than Farleigh Hospice)to be used in accordance with Farleigh Hospice's charitable objectives. The other hospice's participating in the draw are:

English and Welsh Hospices

HOSPICE	LOCATION
Alexander Devine Children's Hospice Service	Berkshire and surrounding counties
Bury Hospice	Bury
Chestnut Tree House (Part of Southern Hospice Group)	Sussex, Brighton and South East Hampshire
City Hospice	Cardiff
Dorothy House Hospice	Bath, North & West Wiltshire & North East Somerset
East Anglia's Children's Hospice	Cambridge, Norfolk, Suffolk & North Essex
Farleigh Hospice	Mid Essex
Garden House Hospice Care	Letchworth and surrounding areas, North Herts
Haven House Children's Hospice	North East London & West Essex
Helen & Douglas House	Oxfordshire and surrounding counties
Isabel Hospice	Eastern Hertfordshire
Jessie May Hospice	Bristol and surrounding areas
Katharine House Hospice	Stafford
Lewis Manning Hospice	Poole, Dorset
Martlets (Part of Southern Hospice Group)	Brighton and Hove
Mary Ann Evans Hospice	Nuneaton, Warwickshire
North London Hospice	Barnet, Enfield and Haringey
North Yorkshire Hospice	Harrogate District, Hambleton and Richmondshire
Oakhaven Hospice	New Forest, Totton and Waterside
Peace Hospice	Watford and surrounding areas, West Hertfordshire
Prince of Wales Hospice	Pontefract & surrounding areas, West Yorkshire
Princess Alice Hospice	Surrey, Middlesex and south west London
Queenscourt Hospice	West Lancashire, Southport and Formby
Rotherham Hospice	Rotherham
Rowans Hospice	Portsmouth and south east Hampshire
Sobell House	Oxfordshire
St Barnabas (Part of Southern Hospice Group)	West Sussex
St Elizabeth Hospice	Ipswich
St Gemma's Hospice	Leeds
St Joseph's Hospice	North and East London
St Luke's Hospice	Basildon and surrounding areas, South Essex
St Michael's Hospice	North Hampshire
St Nicholas Hospice	West Suffolk and Thetford

English and Welsh Hospices (continued)

HOSPICE	LOCATION
St Peter & St James Hospice	Lewes and surrounding areas, East & West Sussex
St Wilfrid's Hospice	Chichester and surrounding areas, West Sussex
St Wilfrid's Hospice	Eastbourne and surrounding areas, East Sussex
Springhill Hospice	Rochdale, Heywood and Middleton
The Hospice of the Valleys	Gwent
Wakefield Hospice	Wakefield
Woking and Sam Beare Hospices	North West Surrey

Scottish Hospices

HOSPICE	LOCATION
Children's Hospices Across Scotland (CHAS)	Scotland
Highland Hospice	Highlands
Kilbryde Hospice	Scotland
St Vincent's Hospice	Renfrewshire and surrounding areas
Strathcarron Hospice	Stirling and surrounding areas

These hospices received donations within the following bands:

	2026	2025
Received donations between the values of £0 and £199,999	**20**	19
Received donations between the values of £200,000 and £399,999	**19**	17
Received donations above the value of £400,000	**5**	5
	44	36

8 Net expenditure for the year

This is stated after charging / crediting:

	2026 £000	2025 £000
Depreciation	**218**	132
Operating lease rentals:		
Property	**352**	375
Other	**17**	20
Auditors' remuneration (excluding VAT):		
Audit - Charity	**13**	15
- Subsidiaries	**14**	14
Tax and Accounts Preparation - Subsidiaries	**8**	3

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

Staff costs were as follows:

	2026 £000	2025 £000
Salaries and wages	**10,155**	10,113
Redundancy and termination costs	**53**	-
Social security costs	**1,257**	955
Employer's contribution to defined contribution pension schemes	**819**	811
	12,284	11,879

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2026 No.	2025 No.
£60,000 - £69,999	**6**	4
£70,000 - £79,999	**1**	1
£80,000 - £89,999	**4**	4
£90,000 - £99,999	**1**	1
£100,000 - £109,999	**1**	1
£110,000 - £119,999	**1**	1

The total employee benefits including pension contributions and social security costs of the key management personnel were £934,174 (2025: £917,336).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2025: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2025: £nil).

Farleigh Hospice purchases Trustee Indemnity Insurance on behalf of the trustees at a cost of £8,219 (2025: £5,566).

No trustees were paid for travel expenses during the year. (2025: Nil).

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

		2026 No.	2025 No.
Raising funds	Fundraising	**22**	22
	Shops	**60**	57
	Lottery (including support)	**61**	65
Charitable Activities	Inpatient care	**39**	42
	Community care	**122**	125
	Bereavement	**13**	13
	Education and information	**4**	4
Support and Governance	HR	**9**	8
	Management	**2**	2
	IT	**7**	9
	Finance	**5**	4
	Governance	**1**	1
		345	352

11 Related party transactions

Related party transactions are disclosed on page 45 of the Trustees' Report.

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

12 Taxation

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

The charity's trading subsidiaries Local Hospice Lottery Ltd and Farleigh Supplies Limited gift aid available profits to the parent charity.

Their charge to corporation tax in the year was:

	2026 £000	2025 £000
UK corporation tax at 25% (2024: 19%) - Local Hospice Lottery Ltd	**-**	-
UK corporation tax at 19% (2024: 19%) - Farleigh Supplies Limited	**-**	**-**

13 Tangible fixed assets 2026 - The Group

The Group	Assets under construction £000	Freehold property £000	Short leasehold property £000	Furniture & computer equipment £000	Motor vehicles £000	Building improvements £000	**Total £000**
Cost							
At the start of the year	-	7,269	273	1,540	83	137	**9,302**
Additions in year	290	-	-	344	24	410	**1,068**
Disposals in year	-	-	-	-	-	-	**-**
Transfers in year	-	-	-	-	-	-	**-**
At the end of the year	290	7,269	273	1,884	106	547	**10,370**
Depreciation							
At the start of the year	-	1,706	264	1,325	38	-	**3,332**
Charge for the year	-	95	4	81	22	16	**218**
Eliminated on disposal	-	-	-	-	-	-	**-**
Transfers in year	-	-	-	-	-	-	**-**
At the end of the year	-	1,801	268	1,406	59	16	**3,549**
Net book value: At the end of the year	290	5,468	5	478	47	532	**6,820**
At the start of the year	-	5,563	10	215	45	137	**5,970**

Land with a value of £149,368 (2025: £149,368) is included within freehold property and not depreciated. All of the above assets are used for charitable purposes.

13 Tangible fixed assets 2026 - The Charity

The Charity	Assets under construction £000	Freehold property £000	Short leasehold property £000	Furniture & computer equipment £000	Motor vehicles £000	Building improvements £000	**Total £000**
Cost							
At the start of the year	-	7,269	273	1,166	83	137	**8,928**
Additions in year	290	-	-	297	24	410	**1,021**
Disposals in year	-	-	-	-	-	-	**-**
Transfers in year	-	-	-	-	-	-	**-**
At the end of the year	290	7,269	273	1,463	106	547	**9,949**
Depreciation							
At the start of the year	-	1,706	264	1,034	38	-	**3,041**
Charge for the year	-	95	4	45	22	16	**181**
Eliminated on disposal	-	-	-	-	-	-	**-**
At the end of the year	-	1,801	268	1,079	59	16	**3,222**
Net book value: At the end of the year	290	5,468	5	384	47	532	**6,727**
At the start of the year	-	5,563	10	132	45	137	**5,887**

Land with a value of £149,368 (2025: £149,368) is included within freehold property and not depreciated. All of the above assets are used for charitable purposes.

14 Intangible fixed assets

The Group	The charity £000	Subsidiaries £000	**Total 2026 £000**	The charity £000	Subsidiaries £000	Total 2026 £000
Cost						
At the start of the year	-	-	**-**	-	-	-
Additions in year	115	-	**115**	-	-	-
Disposals in year	-	-	**-**	-	-	-
Transfers in year	-	-	**-**	-	-	-
At the end of the year	115	-	**115**	-	-	-
Depreciation						
At the start of the year	-	-	**-**	-	-	-
Charge for the year	-	-	**-**	-	-	-
Eliminated on disposal	-	-	**-**	-	-	-
Transfers in year	-	-	**-**	-	-	-
At the end of the year	-	-	**-**	-	-	-
Net book value:						
At the end of the year	115	-	**115**	-	-	-
At the start of the year	-	-	**-**	-	-	-

15 Listed investments

	The group		**The charity**	
	2026 £000	2025 £000	**2026 £000**	2025 £000
Fair value at the start of the year	**2,565**	2,512	**2,565**	2,512
Additions at cost	**71**	64	**71**	64
Net gain on change in fair value	**124**	(11)	**124**	(11)
Fair value at the end of the year	**2,760**	2,565	**2,760**	2,565

Investments comprise:

	The group		**The charity**	
	2026 £000	2025 £000	**2026 £000**	2025 £000
COIF Charities Investment Fund COIF Charities Investment Fund	**1,531**	1,344	**1,531**	1,344
M&G Charifund	**1,229**	1,221	**1,229**	1,221
Investments in subsidiary companies	**-**	-	**-**	-
	2,760	2,565	**2,760**	2,565

The charity holds investments in its subsidiary companies totalling £200 (2025:£200).

16 Subsidiary undertakings (Local Hospice Lottery Limited)

The charitable company owns the whole of the issued ordinary share capital of **Local Hospice Lottery Ltd**, a company registered in England (Company Number 03226004).

The subsidiary is used for non-primary purpose trading activities. Its principal activity is the promotion and running of a lottery in aid of Farleigh and other hospices across the country.

All activities have been consolidated on a line by line basis in the statement of financial activities.

Available profits are gift aided to the charitable company.

Local Hospice Lottery Limited	**2026 £000**	2025 £000
Turnover	**18,129**	16,012
Direct costs	**(4,280)**	(3,675)
Gross profit	**13,850**	12,337
Administrative expenses	**(1,538)**	(1,441)
Donation to other hospices	**(10,624)**	(9,536)
Licence fees to other hospices	**(197)**	(164)
Operating profit	**1,491**	1,196
Interest receivable	**69**	93
Profit on ordinary activities	**1,560**	1,289
Reserves brought forwards	**111**	-
Donation to parent undertaking	**(1,508)**	(1,178)
Retained profit for the financial year	**163**	111
The aggregate of the assets, liabilities and reserves was:		
Assets	**3,750**	3,515
Liabilities	**(3,587)**	(3,404)
Reserves	**163**	111

16 Subsidiary undertakings (Farleigh Supplies Limited)

The charitable company owns the whole of the issued ordinary share capital of **Farleigh Supplies Limited** (Company number: 02576518), a company registered in England.

The subsidiary is used for non-primary purpose trading activities. Its principal activity is the buying and selling on of new goods primarily to Farleigh Hospice.

All activities have been consolidated on a line by line basis in the statement of financial activities.

Available profits are gift aided to the charitable company.

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

Farleigh Supplies Limited	**2026 £000**	2025 £000
Turnover	**365**	103
Direct costs	**(209)**	(81)
Gross profit	**157**	22
Administrative expenses	**(56)**	(131)
Other operating income - gift aid commission	**22**	24
Profit on ordinary activities	**123**	(85)
Donation to parent undertaking	**(85)**	-
Retained profit for the financial year	**38**	(85)
The aggregate of the assets, liabilities and reserves was:		
Assets	**228**	73
Liabilities	**(190)**	(158)
Reserves	**34**	(85)

17 Parent charity

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

	Unrestricted £000	Restricted £000	**2026 Total £000**	Unrestricted £000	Restricted £000	2025 Total £000
Gross income	16,277	1,135	**17,413**	14,879	527	15,406
Result for the year	526	(252)	**275**	(978)	84	(894)

18 Stock

	The group 2026 £000	2025 £000	**The charity 2026 £000**	2025 £000
Goods for resale	**24**	16	**-**	-
	24	16	**-**	-

19 Debtors

	The group 2026 £000	2025 £000	**The charity 2026 £000**	2025 £000
Taxation recoverable	**140**	175	**140**	175
Other debtors	**1,469**	951	**809**	483
Prepayments	**417**	402	**417**	282
Accrued income	**283**	298	**283**	298
Group undertakings	**-**	-	**174**	73
	2,309	1,826	**1,823**	1,311

20 Investments

	The group 2026 £000	2025 £000	**The charity 2026 £000**	2025 £000
Cash on deposit more than three months	**1,828**	1,673	**12**	12
	1,828	1,673	**12**	12

21 Creditors: amounts falling due within one year

	The group 2026 £000	2025 £000	**The charity 2026 £000**	2025 £000
Trade creditors	**1,993**	1,898	**822**	803
Taxation and social security	**242**	231	**192**	179
Other creditors	**350**	309	**261**	275
Accruals	**471**	442	**462**	366
Group undertakings	**-**	-	**-**	-
Deferred income	**2,414**	2,326	**130**	93
	5,470	5,206	**1,868**	1,716

22 Deferred income

Deferred income relates to monies received for events, services and lottery draws that are yet to take place.

	The group		The charity	
	2026 £000	2025 £000	**2026 £000**	2025 £000
Balance at the beginning of the year	**2,326**	2,176	**93**	96
Amount released to income in the year	**(2,326)**	(2,176)	**(93)**	(96)
Amount deferred in the year	**2,414**	2,326	**130**	93
Balance at the end of the year	**2,414**	2,326	**130**	93

23 Pension scheme

Further details of the Farleigh Hospice pension schemes are given in note 1r.

At the year end there were 59 (2025: 66) members of the NHS scheme and there were 246 (2025: 276) members of the other arrangements.

All contributions relating to 2025/26 were paid over to the relevant providers by the end of April 2026.

24 Analysis of group net assets between funds 2026

	General £000	Designated funds £000	All restricted £000	**Total funds £000**
Tangible fixed assets	-	4,791	2,030	**6,820**
Intangible fixed assets	-	115	-	**115**
Investments	2,394	-	366	**2,760**
Net current assets	2,706	(1)	134	**2,839**
Net assets at the end of the year	**5,100**	**4,904**	**2,529**	**12,533**

24 Analysis of group net assets between funds 2025

	General £000	Designated funds £000	All restricted £000	**Total funds £000**
Tangible fixed assets	-	3,870	2,100	**5,970**
Intangible fixed assets	-	-	-	**-**
Investments	2,179	-	386	**2,565**
Net current assets	3,254	-	294	**3,548**
Net assets at the end of the year	**5,433**	**3,870**	**2,780**	**12,083**

25 Movements in funds 2026

	At the start of the year £000	Incoming resources and gains £000	Outgoing resources and losses £000	Transfers £000	**At the end of the year £000**
Restricted endowment funds:					
[A] New Farleigh Fund	1,553	-	(59)	-	**1,494**
[B] Lantern Suite Fund	448	-	(10)	-	**438**
[C] Big Lottery Fund	99	-	(2)	-	**98**
[D] Walter Farthing Fund - Permanent	386	-	(20)	-	**366**
	2,486	-	(91)	-	**2,395**
Restricted income funds:					
[E] Restricted legacy, donation and grant funds	208	1,135	(242)	(1,063)	**38**
[F] Farleigh Homecare Fund	4	-	-	-	**4**
[G] Friends of Farleigh	2	-	-	-	**2**
[H] Maldon Fund	80	-	(16)	25	**89**
	126	1,135	(258)	(1,038)	**134**
Total restricted funds	2,696	1,135	(349)	(1,038)	**2,529**
Unrestricted funds:					
Designated funds:					
[I] Fixed Asset Fund	3,602	-	(49)	6	**3,559**
[J] Farleigh in Maldon Fund	-	-	-	-	**-**
[K] DHSC Capital Grant Scheme	268	-	(60)	1,023	**1,230**
Total designated funds	3,870	-	(109)	1,029	**4,790**
[L] Unrestricted income funds - general reserves	5,433	33,193	(33,421)	8	**5,214**
Total unrestricted funds	9,303	33,193	(33,530)	1,037	**10,004**
Total funds	12,083	34,329	(33,879)	(1)	**12,533**

25 Movements in funds 2025

	At the start of the year £000	Incoming resources and gains £000	Outgoing resources and losses £000	Transfers £000	**At the end of the year £000**
Restricted endowment funds:					
[A] New Farleigh Fund	1,610	-	(57)	-	**1,553**
[B] Lantern Suite Fund	461	-	(13)	-	**448**
[C] Big Lottery Fund	101	-	(2)	-	**99**
[D] Walter Farthing Fund - Permanent	398	-	(12)	-	**386**
	2,570	-	(84)	-	**2,486**
Restricted income funds:					
[E] Restricted legacy, donation and grant funds	31	256	(79)	-	**208**
[F] Farleigh Homecare Fund	4	-	-	-	**4**
[G] Friends of Farleigh	2	3	(3)	-	**2**
	-	268	-	(268)	**-**
[H] Maldon Fund	89	-	(9)	-	**80**
	126	527	(91)	(268)	**294**
Total restricted funds	2,696	527	(175)	(268)	**2,780**
Unrestricted funds:					
Designated funds:					
[I] Fixed Asset Fund	3,576	-	(60)	86	**3,602**
[J] Farleigh in Maldon Fund	212	-	-	(212)	**-**
[K] DHSC Capital Grant Scheme	-	-	-	268	**268**
Total designated funds	3,788	-	(60)	142	**3,870**
[L] Unrestricted income funds - general reserves	6,541	29,722	(30,956)	126	**5,433**
Total unrestricted funds	10,329	29,722	(31,016)	-	**9,303**
Total funds	13,025	30,249	(31,191)	(268)	**12,083**

All transfers relate to Fixed Assets which are reported as designated funds. Incoming restricted income funds have been corrected post 2025 close.

Purposes of restricted funds

[A] The New Farleigh Fund was set up specifically to fund the construction and equipping of the hospice building in Chelmsford.

[B] The Lantern Suite Fund refers to funds raised to build and equip the Lantern suite extension to the hospice.

[C] The Big Lottery Fund grant relates to the funding of a healing garden at the hospice.

[D] The Walter Farthing Fund are endowed funds held to generate unrestricted income for general charitable purposes.

[E] Farleigh Hospice receives a number of legacies, donations and grants that where the donors restrict their purposes. These are accounted for separately but collated for reporting purposes.

[F] The Farleigh Homecare fund is set up to specifically support patients staying at home and is used for equipment purchases and hardship funding.

[G] The Friends of Farleigh funds are those held directly by the Friends of Farleigh support group. Farleigh Hospice does not have direct access to these funds until they are paid across as a donation.

[H] The restricted Maldon fund represents funds donated specifically for the refurbishment of running of the Maldon premises.

Purposes of designated funds

[I] The Fixed Asset Fund represent funds which have been designated to cover the value of Fixed Assets.

[J] The Members Guarantee Fund balance £250 (2024:£235) represents funds received in advance to cover the members liability if the charity was to be wound up.

[L] The trustees have designated a specific fund to provide funding towards the refurbishment/ running of the new day hospice premises in Maldon. Due to the DHSC capital grant funding and changes to plans for the property. The trustees have now released this fund.

[M] The fixed assets purchased under the DHSC Capital Grant monies are held in a designated fund.

Purposes of unrestricted general funds

[K] Unrestricted general funds are held to bridge the gap between income and expenditure and to cover any unplanned events.

26 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2026 £ 000	2025 £000
Net expenditure for the reporting period (before net gains/losses on investments) (as per the statement of financial activities)	**326**	(931)
Depreciation charges	**218**	132
Dividends and interest from investments	**(253)**	(366)
(Profit)/loss on the disposal of fixed assets	**-**	-
(Increase)/decrease in stocks	**(8)**	(7)
(Increase)/decrease in debtors	**(483)**	(595)
Increase /(decrease) in creditors	**264**	866
Net cash provided by operating activities	**63**	(901)

27 Analysis of cash and cash equivalents

	At 1st April 2025 £000	Cash flows £000	**At 31st March 2026 £000**	At 1st April 2024 £000	Cash flows £000	At 31st March 2025 £000
Cash at bank and in hand	3,138	(169)	**2,969**	1,084	2,054	3,138
Notice deposits (less than 3 months)	2,101	(922)	**1,179**	3,809	(1,708)	2,101
Total cash and cash equivalents	5,239	(1,091)	**4,148**	4,893	346	5,239

28 Operating lease commitments (the group)

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

	Property 2026 £000	2025 £000	**Equipment 2026 £000**	2025 £000
Less than one year	**335**	368	**17**	21
One to five years	**441**	702	**21**	57
Over five years	**-**	-	**-**	-
	776	**1,070**	**38**	78

28 Operating lease commitments (the charity)

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

	Property 2026 £000	2025 £000	**Equipment 2026 £000**	2025 £000
Less than one year	**269**	302	**17**	21
One to five years	**309**	504	**21**	57
Over five years	**-**	-	**-**	-
	578	**1,806**	**38**	78

29 Capital commitments

There was one capital commitments at the balance sheet date for the completion of the atrium build (£16,662). (2025: nil)

30 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

The liability of each member in the event of winding up is limited to £5.

Members pay guarantee funds in advance and they are held in a separate designated fund.

Farleigh Hospice

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