



**St Oswald's
Hospice**



Trustees' Annual Report and Financial Statements

for the year ended 31 March 2026

Quality time for everyone

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2026.

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2026. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and 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).

Reference and Administrative Details

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Hospice's Articles of Association were last amended on 29th November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

Our Registered Office

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063 or by email at: enquiries@stoswaldsuk.org

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on [Facebook](#), [Instagram](#), [TikTok](#), [LinkedIn](#) and [YouTube](#).

Board of Trustees and Directors

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

Message from our Chair

It is a privilege to write this introduction as Chair of the Board of Trustees and to do so in a year that marks a very special milestone. This July, St Oswald's Hospice will celebrate its 40th birthday. Four decades of compassionate, expert care for children and adults with progressive, life-limiting conditions and the families who love them. That is something that we are all immensely proud of.

2025-26 has been another year of real progress, real challenge, and real humanity – and throughout it all, our focus has remained constant: we are a place where people matter.

Over the past year we have managed to deliver an amazing volume of care with 3,646 people benefiting from St Oswald's services – adults and children alike. That figure matters beyond the headline. When we launched our Strategy in 2023 with the ambition to provide more and better care for more people in more places, we were supporting 2,748 people. Three years on, that number has grown by nearly 900 people. A 33% increase in the people we reach is not just a measure of progress against our Strategy – it represents nearly a thousand additional patients and their families who were cared for and supported at some of the most difficult moments. Last year our Adult Inpatient Unit recorded over 200 admissions with an average wait of just three days. Our Lymphoedema Service, a national centre of excellence and the largest specialist provider in the North East, saw nearly 3,000 patients and our Focus on Living Centre delivered almost 1,500 contacts.

The completion of our new Young Adults Service Accommodation is the moment I most looked forward to last year. Having met the young people it was built for, I know this is far more than a building – it is a statement of who we are, placing the needs and wishes of those we support at the forefront of everything we do.

In May 2025, we were also named one of just four Regional Centres of Learning for Transition in the UK, through a Hospice UK programme funded by the National Lottery Community Fund, receiving a share of £1.3 million over four years. That national recognition reflects the quality and ambition of our team.

Our bereavement work has also extended well beyond our walls this year – into GP practices, mental health services, prisons and community venues across the region. Our December 2025 Giving Day raised over £300,000, funding a full year of bereavement and social work support from January 2026 to December 2026. Also refurbishment of our Adult Inpatient Unit is creating a safer, more comfortable environment for everyone in our care.

This year also brought some difficult moments. Changes in NHS commissioning decisions led to the ending of funding for our Ambulatory Care Service and has influenced our own review of the Focus on Living services. Neither decision was taken lightly and they are in no way a reflection of the quality of care provided, nor of the extraordinary commitment of the staff involved. Rather, they reflect the challenging realities of a healthcare landscape in which many funding decisions are out of our control. What defines St Oswald's Hospice is how we respond – and our response has been to remain confident in our strategy and look forward, redirecting our energy and resources into growing our services where demand

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Message from our Chair (continued)

continues to rise and ensuring that the skills of those teams carry on benefiting patients every day.

Turning to our finances: the year ended with an overall surplus of £740k. I want to be transparent, however – this is largely driven by 'one-off' items, including over £1 million of government capital grant funding, a record legacy year, and a significant donation of a property transferred from another local charity. When these are set aside, the underlying position is a deficit of over £900k. That is the true picture, and it underlines why the generosity of our supporters – and the creativity of our fundraising, retail, marketing and communications teams – remains so vital every single year.

The year ahead brings continued ambition and challenge in equal measure. But I know we can meet both, because we have extraordinary people. To every member of staff, every volunteer, every Trustee, every donor, every supporter and every customer – thank you. I am proud to be part of St Oswald's Hospice and confident that together, we will go on providing quality time to everyone who needs us.



Steve James

01/10/26

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

Board of Trustees and Management at 31 March 2026:

Vice-Presidents

Lady Craft
Mr J Docherty
Mr M P Robson
Dr K Mannix
Mrs M Liston

Board of Trustees

Mr S James (Chair)
Mr D Reynolds (Treasurer)

Mr D Hicks	Mrs T Phillips	Dr N Morris
Mrs L O'Driscoll	Miss I Holland	Mr J Holmes
Mrs S Sinton	Mr R Taylor	Mrs K Worland
Dame N Stephenson	Dr A Charlewood	Prof A V Cuff
Mrs Sahreen Safdar		

Associate Trustees

Dr Sameena Hassan
Ms Karen Muir

Changes in the year:

Resignations

There have been no resignations.

Appointments

Dr A Charlewood was appointed as a Trustee on 28 April 2025
Prof A V Cuff was appointed as a Trustee on 21 May 2025
Mrs Sahreen Safdar was appointed as a Trustee on 8 September 2025

Dr Sameena Hassan was appointed as an Associate Trustee on 28 April 2025
Ms Karen Muir was appointed as an Associate Trustee on 27 October 2025

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Ms S Edusei	Chief Executive
Mrs K Maclaren	Finance Director
Mrs A Egdell	Director of Care Services
Ms S Peart	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

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Our Professional Advisors at 31 March 2026

Statutory Auditor:

RSM UK Audit LLP
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Internal Auditor:

Azets Audit Services Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Solicitors:

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Hay & Kilner LLP
Merchant House
30 Cloth Market
Newcastle upon Tyne
NE1 1EE

Bankers:

Barclays Bank PLC
Bank House, East Pilgrim Street
Newcastle upon Tyne
NE1 6QE

Investment Managers:

UBS Wealth Management (UK) Ltd
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

Rathbones Investment Management Limited
75-85 Grey Street
Newcastle Upon Tyne
NE1 6EF

Health & Safety Advisors

Pivotal Safety Services
Seaton Carew
Hartlepool
TS25 2AR

Pension Advisors:

Azets Wealth Management Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Insurance Advisors:

PIB Insurance Brokers
Poppleton Road
Low Poppleton Lane
York
North Yorkshire
YO26 6GZ

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

Structure, Governance and Management

Our Board of Trustees

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four-year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's Hospice volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The People Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's Hospice diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component, and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's Hospice, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's Hospice and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of appropriate Committees and all Trustees. Trustees visit our retail shops every two years, with HMT members undertaking an informal visit in the intervening year.

The Board of Trustees is supported by two Associate Trustees, who act as non-voting members who support governance of the charity, strengthening the charity's oversight by providing specialist expertise and informed challenge.

Board of Trustee and Director Meetings

Our Board of Trustees and Directors meet 4 – 5 times during the year and review achievements and progress made against strategic objectives. In addition, in October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.

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Board of Trustee and Director Meetings (continued)

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have four Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- People Committee;
- Clinical Governance and Quality Committee; and
- Technology and Business Intelligence Committee

Most Trustees and Directors serve on one or more of the Committees as noted below:

Committee Membership at 31 MARCH 2026

Audit and Finance	People	Clinical Governance and Quality	Technology and Business Intelligence
Trustees:	Trustees:	Trustees:	Trustees:
Mr D Reynolds (Chair)	Mrs T Phillips (Chair)	Dr N Morris (Chair)	Mr J Holmes (Chair)
Mr S James	Mr S James	Miss I Holland	Miss I Holland
Mr R Taylor	Mr D Reynolds	Dame N Stephenson	Mrs K Worland
Mrs S Safdar	Dame N Stephenson	Prof A V Cuff	
Prof A V Cuff	Dr A Charlewood	Dr A Charlewood	

Attending Associate Trustee:	Attending Associate Trustee:	Attending Associate Trustee:	Attending Associate Trustee:
Ms K Muir	-	Dr Sameena Hassan	-

Attending Directors:	Attending Directors:	Attending Directors:	Attending Directors:
Ms S Edusei	Ms S Edusei	Mrs A Egdell	Mr S Gordon
Mrs K Maclaren	Ms S Peart	Ms S Peart	

Average Trustee attendance at the Board meetings stands at 76%.

Average Trustee attendance at Audit and Finance, People, Clinical Governance and Quality Committee, and Technology and Business Intelligence meetings during the year stood at 92%, 85%, 83%, and 83% respectively.

The charity has made qualifying third-party indemnity provisions for the benefit of its Trustees during the period. These provisions remain in force at the reporting date.

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St Oswald's Hospice Promotions Limited

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of three Trustees from the holding company (one of whom is the Chair), the Chief Executive, and the Director of Strategy and Development. Our Director of Income and Marketing, Finance Director, Head of Retail and Head of Fundraising also attend the meetings.

Hospice Management Team and Delegation of Powers

The management of St Oswald's Hospice is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and five other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

Changes in our Management Team

There were no changes in our management team in the year.

Related parties and co-operation with other organisations

We are contracted to provide care and support to local adults by our local Integrated Care Board and one NHS Foundation Trust. We also have a Service Level Agreement with Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation and Gateshead NHS Trust in respect of provision of medical on-call.

With regards to our Children and Young Adults Service, joint health and social care contracts with Local Authorities are in place for under 18s provision of specialist short breaks; young adult stays are spot purchased by local authorities on a case-by-case basis.

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Related parties and co-operation with other organisations (continued)

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University, Sunderland University and Teesside University.

One of our strategic objectives recognises the need to work more closely with other organisations to help develop palliative care and end of life services; we are part of the Hospices North East and North Cumbria collaborative of independent hospices, and further details of our other collaborative work is included later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

Objectives and Aims

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision and Mission statements, based upon our principal activity, are:

Vision:

Together, with others, we will make the most of time and improve quality of life for everyone, of all ages, in the North East who are living with a progressive life-limiting condition, and for their families and carers too.

Mission:

Together, with the vital support of our staff, volunteers, donors, customers and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when and where they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

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STRATEGIC REPORT

Our 2023-2027 Strategy

The overarching aim of our 2023-2027 Strategy is to ensure there is:

More and better palliative and end of life care, for more people of all ages, in more places.

Our Strategy has at its heart our aim to continue to grow and develop high quality clinical and support services for those people in our community with progressive life-limiting conditions, and those caring for them. The three care service areas of focus are: Frailty, Bereavement and Transition.

The Strategy encompasses 4 strategic aims that provide the focus for the way we work and 4 foundations that we need to strengthen to support everything we do:

Our 4 Strategic Aims

- Partnerships
- Community
- Sustainable Funding
- Education and Research

Our 4 Foundations

- Our People
- Effective, Efficient and Sustainable
- Equity, Inclusion and Diversity
- Identity, Presence and Message

Strategy Progress 2025-26

During 2025–26, we continued to embed our strategic aims and foundations across the organisation, progressing our ambition to deliver more and better palliative and end of life care, for more people of all ages, in more places.

This has been achieved through a combination of strengthened partnerships, alignment of resources in community and service development, and externally funded strategic initiatives that support long-term sustainability and impact.

We have taken this work forward by:

- Securing significant external investment to support community, bereavement, and transition programmes
- Strengthening partnerships across health, social care and voluntary sectors
- Expanding support into community settings
- Supporting workforce development, education and research activity
- Supporting innovation and service development through strategic programmes
- Building a more sustainable income base through strategic investment, fundraising innovation and commercially focused retail activity

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STRATEGIC REPORT – Strategy Progress 2025-2026 (continued)

Here is a round-up of our progress against our **Strategic Aims**. Where relevant, we have shown how this progress supports our three Care Services of Focus: *Frailty, Bereavement and Transition from Childhood to Adulthood*.

Strategic Aim: Partnerships

Partnership working remains central to delivery of the strategy, enabling us to extend our reach, influence and impact.

A significant achievement in 2025–26 has been the £70,000 Albert Hunt Foundation award, supporting an 18-month programme to align data across the Northern Children's Hospices Collaborative, a collaboration across 10 Children's Hospices in the North. This work will strengthen collective evidence, improve consistency, and support regional commissioning and funding opportunities.

We have also strengthened partnerships with primary care through the delivery of bereavement training across GP practices, supported by £25,000 of funding from Northumbria Primary Care, enabling improved support for people experiencing bereavement within their communities.

Strategic Aim: Community

We have continued to strengthen our work in the community by expanding programmes that build local capacity and improve access to support beyond the hospice. This has largely focused on bereavement.

A key area of progress in 2025–26 has been the continued development of the Grief and Loss Allies (GALA) programme, which gives individuals across communities and partner organisations the skills and confidence to support those experiencing grief and bereavement. More than 50 people have been trained, with sessions planned, moving us towards our target of 100 trained allies.

GALA is also expanding into North Tyneside through partnerships with local organisations. By building confidence and capability across the wider community, GALA is helping to normalise conversations about death and bereavement and improve early, accessible support.

Community reach has been extended further through bereavement support and training in non-traditional settings, including HMP Northumberland. This has improved access for underserved populations, reduced barriers to support, and strengthened our contribution to equity and inclusion.

Alongside this, the Compassionate Companions programme continues to develop, supported by £40,000 in grant funding. It enables trained volunteers to provide companionship and support to people experiencing isolation and vulnerability, including those in care homes and community settings.

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STRATEGIC REPORT – Strategy Progress 2025-2026 (continued)

Together, these programmes mark a significant step forward in delivering community-based support, strengthening partnerships, and extending the Hospice's impact beyond its physical setting.

Strategic Aim: Sustainable Funding

We are working to grow sustainable income through innovation, investment and strong partnerships, while managing risk carefully and keeping activity focused on delivering agreed returns.

Strategic Income Growth

Strategic activity has made a significant contribution to diversifying and strengthening income streams.

In 2025–26, strategy-related work generated £178,038, spanning community development, bereavement services, transition support, and regional collaboration.

Importantly, several programmes extend beyond a single financial year. The Transition Centre of Learning programme represents a major multi-year investment, with projected income of £167,005 through to 2029, providing a strong foundation for future service development and sustainability.

Fundraising for Long-Term Sustainability

Over recent years, our fundraising approach has deliberately shifted from “doing more” to “doing better” focusing on net income, sustainability and long-term supporter relationships. This has involved simplifying activity, improving how we use our time and resources, and prioritising the areas which deliver the greatest impact for the hospice.

By 2025–26, this approach has matured into a more disciplined and data-driven model. Our focus has been on strengthening the areas which underpin long-term financial sustainability, particularly Donate Monthly and Gifts in Wills, while continuing to build deeper, more meaningful relationships with our supporters.

During the year, we have embedded the use of technology to support this shift. Automation and improved systems have enabled us to streamline processes such as Donate Monthly, reduce manual administration and create a more consistent experience for supporters. At the same time, clearer structures, shared tools and defined responsibilities across the team have reduced duplication and improved accountability.

A key focus this year has been ensuring that our resources are directed where they add most value. We have refined how we deliver fundraising activity, placing greater emphasis on higher-value opportunities and redesigning community fundraising to improve its return on investment. This includes greater use of volunteer-led activities and closer integration with our shops and ‘the space’, enabling us to increase reach without increasing cost.

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STRATEGIC REPORT – Strategy Progress 2025-2026 (continued)

We have also strengthened our approach to supporter journeys, particularly for monthly donors and those considering leaving a gift in their will, with more targeted communication, improved onboarding and a stronger focus on retention.

By focusing on doing fewer things better, improving our use of data and technology, and investing in long-term supporter relationships, we are building a more resilient income base to support the hospice into the future.

Retail Growth and Sustainability

Retail continues to play a vital role in building a more sustainable income base for the hospice. In 2025–26, the retail department income across its range of activities was £4.3m. For 2026–27, this is targeted to reach £4.7m, as we work towards our ambition of reaching an annual income of £5.0m.

Our strategy is focused on maximising shop performance, growing e-commerce and Gift Aid, and exploring additional income opportunities that make the most of our community presence and supporter base.

Our ambition remains to operate the best charity shops in every community we serve. Recent investment in larger stores, including Blyth in 2023–24 and Gateshead and Kingston Park this year, has shown the value of opening or refurbishing larger stores with a fresh shop design and welcoming environment. These improvements strengthen customer experience and support income growth. We have been consistent with rolling this plan out to smaller units too, as well as investing in more community activities. We will continue to build on this approach in 2026–27, starting with the opening of a new store in Sunderland.

E-commerce is an increasingly important part of our retail growth strategy. This year, we strengthened the team with new staff and volunteers. Our eBay shop continued to generate valuable income, raising more than £280k. Next year, we will continue to expand our e-commerce offer, reaching new audiences through additional platforms such as Discogs and Vinted Pro.

Other income streams have played a key role in supporting growth. Seasonal initiatives like Tree-cycle have generated additional revenue while boosting visibility and community engagement. Tree-cycle had a record-breaking year, with 5,000 trees collected and £99k raised. We have also introduced new events at our Ouseburn venue, 'the space', to drive footfall and income – with 61 events hosted this year and £70k raised. We will build on this momentum as 'the space' becomes the headquarters for the Peter Rabbit: Tales on The Tyne Art Trail in summer 2026. Alongside this, we increased our focus on the house clearance service, with a new manager and extended operating hours to support growth.

Going forward, a review of the property portfolio will ensure shops remain financially viable and well located, supporting a more efficient and commercially focused retail model that can deliver sustainable long-term growth.

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STRATEGIC REPORT – Strategy Progress 2025-2026 (continued)

Strategic Aim: Education and Research

Strategic initiatives continue to support the development of education and research across the organisation, strengthening workforce capability and enabling innovation in care.

The Transition Centre of Learning programme is supporting the development of a more coordinated and supportive approach for young people and families as they move from children's to adult services. The programme focuses on improving experience and outcomes by ensuring individuals are better supported throughout their transition journey, with greater continuity, confidence and personalised support.

In addition, bereavement education and training programmes, including delivery within primary care and prison settings, are enhancing knowledge, confidence and skills across the wider system, extending the hospice's impact beyond direct service delivery.

Research is now an increasingly central component of our clinical delivery, supporting evidence-based practice and ongoing service development. Further detail on research activity, impact and outcomes is provided within the dedicated Research section of this report on page 26.

Together, these activities strengthen our role as a leader in education, research, and innovation within palliative and end of life care.

Here's how we're working on strengthening our **Strategic Foundations** to support us in achieving our aims:

Strategic Foundation: Our People

Our people are central to delivering our strategy, and this year we have continued to invest in our staff and volunteers by strengthening recruitment, development, wellbeing and inclusion across the hospice.

This year we:

- **Expanded our volunteering team to almost 1000**, with volunteers supporting across almost all departments, having introduced new innovative roles to enhance our volunteering offer including Children's Gamer and Tech Support, Outreach Clinic Support and Reading Volunteers.
- **Recruited and specially trained a new cohort of bereavement support volunteers** enabling us to support more bereaved families and to support the long-term sustainability of our bereavement care.
- **Delivered training and development opportunities** for staff and volunteers, including via the Volunteer to Career Pathway to support volunteers with clinical or retail career aspirations. Staff have been

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Strategy Progress 2025-2026 (continued)

supported to develop their careers through completion of nursing qualifications, advanced clinical practice placements and other formal qualifications. In addition, a group of Volunteers have completed various non-clinical Diploma courses kindly supported by Pitman training.

- **Expanded our wellbeing offer** to include support and groups for neurodiverse staff and volunteers, those managing menopause and those dealing with, or supporting difficult issues such as domestic abuse.
- **Developed our managers and leaders** to support their, and their teams' wellbeing through training and open discussion on various topics including compassionate leadership, supporting those affected by domestic abuse, trauma awareness and managing in times of change and uncertainty.

Strategic Foundation: Effective, Efficient, Sustainable

We continue to advance our digital transformation to ensure our services are efficient, effective and resilient, with systems, data and processes aligned to recognised standards. This work supports the long-term sustainability of the hospice and strengthens our ability to respond to increasing demand and complexity. Two examples achieved this year are:

- **Strengthened cyber resilience and information governance** – building on last year's foundations, we further developed our cyber security and governance arrangements, informed by an independent technical audit and a strengthened information governance framework. This includes clearer policies, improved training and oversight, and enhanced technical controls. We are also progressing work towards Cyber Essentials Plus accreditation to provide independent assurance and further protect sensitive organisational data.
- **Expanded the use of data and digital tools across the organisation** – we have continued to grow our business intelligence capability, delivering new dashboards, automation and digital workflows across clinical, operational support and income-generating services. This includes reducing manual processes, improving access to insights and supporting more informed decision-making across teams.

Strategic Foundation: Equity, Diversity, Inclusion

We are committed to Equity, Diversity and Inclusion (EDI) throughout the organisation and ensuring St Oswald's Hospice is a welcoming place for all. (See page 40 for more information on EDI.) Two examples of progress this year:

- **Connecting with community and faith groups** – through the Community Projects Lead role, we have continued to listen to all parts of our community, building better understanding for strong, positive, long-term relationships. This opens up the hospice, not only to a more diverse range of patients and families, but also future staff, volunteers and supporters.

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STRATEGIC REPORT – Strategy Progress 2025-2026 (continued)

- **Hosted an intern through the Health Data Research UK (HDR UK) Black Internship Programme.** This programme gives opportunities to people from underrepresented backgrounds to gain experience in health data science, helping to build a more diverse and representative research workforce. Our intern worked with the Lymphoedema team to develop a new tool to measure quality of life in patients, providing valuable insight into patient experience and service impact.

Strategic Foundation: Identity, Presence and Message

We continuously look to improve our communications and marketing, creating new ways to share our messages so more people know about what we do and feel that our services are designed with them in mind. Four examples this year:

- **Delivered a public awareness campaign** to improve understanding of St Oswald's Hospice and challenge common myths about hospice care. The campaign reinforced a key insight: people know who we are, but do not always understand the full breadth of what we do. It helped increase awareness of the Hospice, performed strongly across digital channels and created useful benchmarks for future awareness activity. It also highlighted the need to keep using clear, consistent messages about care being free of charge, available to people of all ages, and focused on living well as well as end of life.
- **Developed the communications approach for St Oswald's Hospice's 40th birthday year** (July 2026 onwards), using the theme of 40 years of memories, moments and compassionate care. This work is designed to celebrate the people and stories that have shaped the Hospice, reflect on four decades of progress, and help our community better understand the breadth and impact of modern hospice care. The campaign also supports our wider ambition to open up hospice care, deepen relationships with existing audiences and reach new people through inclusive, accessible storytelling.
- **Continued to grow our digital presence and use video-led storytelling to reach and engage** more people. During the awareness campaign, video content, social media activity and the campaign landing page all performed well with a predominantly new audience, and follower growth across St Oswald's Hospice social media channels exceeded target, bringing 624 new followers into our digital community. Alongside this, the income generating 'Giving Day' campaign video content and supporter-led storytelling have continued to strengthen emotional connection, explain the impact of our services and encourage people to get involved.
- **Began to strengthen the accessibility and inclusivity of our communications** by reviewing key materials through an inclusive language lens, seeking feedback from external audiences and ensuring our content better reflects the different communities we serve.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT (continued)

Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care and specialist lymphoedema care. Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

Adult Services

Our Adult Service offers an inpatient service; a lymphoedema service; a 'Focus on Living Centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service (ended 31st March 2026); a combined supportive care service, complementary therapy; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

Adult Inpatient Unit

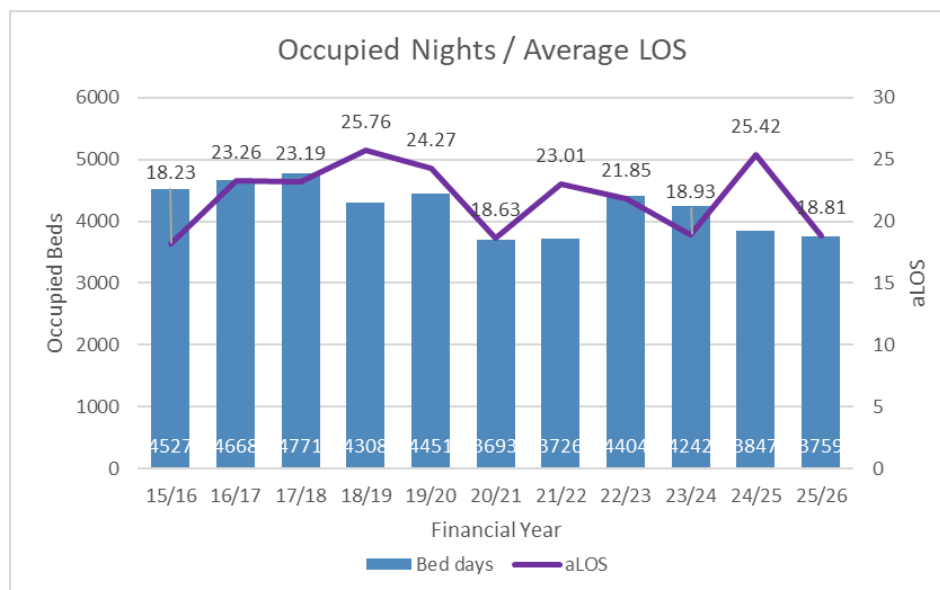
Our 15-bedded inpatient unit caters for patients needing pain and symptom control, emergency respite, and end of life care. Our multidisciplinary team work together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as providing a supportive environment at the end of life.

In the financial year 2025-26

- 206 adult inpatient admissions (2025: 152 admissions).
- 56 patient discharges (2025: 49 discharges) and 150 deaths (2025: 106 deaths).
- Patients stayed with us for an average length of stay of 19 days (2025: 25 days).
- 3,759 bed days were occupied during the year (2025: 3,847 bed days)
- Average bed occupancy was 72% (2025: 81%)

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)



This year, admissions were higher than the previous year, however, the average length of stay was much shorter. This, combined with refurbishment works reducing bed availability to 95%, meant that bed days and average bed occupancy were both lower than the previous year.

Throughout this year, we have continually strived to enhance patient experience – whether that be through strengthened practice, improved care and support, or by upgrading the environment.

One way we're strengthening practice on the Adult Inpatient Unit is by becoming more actively involved in research and inclusive practice. By working in partnership with our Outpatients Department on the Positive Steps to Inclusive Palliative Care project, we're exploring the needs of people living with life limiting conditions across Newcastle, particularly those from socio-economically deprived areas and ethnic minority backgrounds. Our staff are also taking part in the RESTORE trial (University of Edinburgh), supporting mental health and wellbeing in palliative care and helping staff to manage stress and build resilience.

Our Pets as Therapy service has continued to grow and provides a much-loved source of comfort and joy for patients and families – and our staff and volunteers feel the benefits too. This year, we also introduced 7 Compassionate Companions to the ward. These volunteers offer emotional and spiritual support through active listening, companionship, and being present with patients and their families, including at the end of life.

As part of our focus on patient safety, we introduced decaffeinated drinks as the standard option on the ward, while still offering caffeinated drinks on request. This change was informed by pilot trials in NHS settings, including work by Northumbria Healthcare NHS Foundation Trust, which found that offering decaffeinated drinks as the default was associated with a reduction in patient falls.

Following feedback from patients, families and volunteers, the smoking area was

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)

relocated outdoors in 2025. This ensures patients can continue to smoke if they wish, while protecting others from second-hand smoke and improving the environment for everyone using the building.

We have created a private room beside our Adult Inpatient Ward kitchen, which was previously an open sitting area. Thanks to a £5,000 donation from Albany Contract Furniture, we have also created a new family and visitors' room with a sofa bed for relatives or friends staying overnight. These new rooms give patients and their families welcoming, quiet spaces for important conversations with each other or to discuss care needs and concerns privately with staff. The existing larger family room and beautiful gardens also continue to offer relaxed and peaceful spaces away from a patient's bedside.

Further improvements began in February 2026, as the refurbishment of the Adult Inpatient Unit began. This has been made possible by national government capital funding via Hospice UK and generous support from the Wolfson Foundation. The work includes new flooring, fire doors, improved handrails, redecoration and a new access system to improve safety and security. The removal of carpets will support improved infection prevention and control.

Together, these changes will create a safer, more accessible and more comfortable environment for patients, while improving the experience for families, staff and volunteers. As always, we aim to help all families to spend quality time together during their time at the hospice.

What families said. . .

"Our family cannot thank you and all your staff and volunteers enough for all the care, compassion, kindness and support shown to not only xxx but all our family and xxx's friends who visited her during this heartbreaking time for us. From the nurses to the chefs, doctors, cleaning staff, receptionists, everybody we had contact with had a smile and a kind word. The Hospice obviously saw xxx at her lowest but we as a family remember her as a beautiful, vibrant, fun, loving, hard working Wife, Mother, Daughter, Sister, Nana and friend. Your staff gave our xxx what she deserved, a dignified pain free passing surrounded by her loved ones."

"When D came into your Hospice, he had been really unwell at home and felt that actually he didn't want to be alive any longer. I can't believe how he changed his outlook almost immediately. His health improved and he got his strength back. He thrived in the Hospice and got on really well with every member of staff. It really helped me too because I felt relaxed about leaving him in your care each day. He became a bit of a celebrity thanks to you. His paintings were exhibited in an art hub in Bishop Auckland. It was a dream come true for him. We can never thank you all enough for all your help and kindness. Thank you to each and every one of you."

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)

Adult Day Services

In 2025–26, the number of patients receiving care through our Focus on Living Centre decreased, although the number of one-to-one contacts remained substantial. Our Lymphoedema Service saw a significant increase in referrals, while overall attendances and outreach appointments were lower than the previous year.

Our Focus on Living Centre offers personalised, holistic care with a rehabilitative approach, supporting palliative patients to live as well as possible with their condition.

Working with external partner, Newcastle Hospitals NHS Foundation Trust, during 2025–26 we delivered two services within the Focus on Living Centre that patients could be referred to:

- **The Ambulatory Care Service**
 - Delivered in partnership with the Northern Centre for Cancer, continued to provide planned treatments such as blood transfusions and infusions for patients with a palliative diagnosis within a hospice setting. This offered an alternative to hospital-based care, alongside the opportunity for holistic assessment and support for patients, their families and carers.
 - Sadly, on 31 March 2026, the Ambulatory Care Service came to an end after NHS funding for the service was ended. We are grateful to the staff and volunteers who cared for and supported patients and their families through this service.
- **The Combined Supportive Care Service**
 - An ongoing service that supports people living with lung cancer or mesothelioma. It provides personalised care in a comfortable and relaxing environment for patients, as well as freeing up much needed capacity in hospitals. The service has been proven to reduce hospital admissions.

Recognised as a national centre of excellence in Lymphoedema management, St Oswald's Hospice is the largest specialist Lymphoedema service provider in the North East. We are specialists in our field, and we regularly treat the most complex, severe cases. All patients are cared for on a pathway approach, covering assessment, treatment and planned review and discharge. Our pathways mirror the International Lymphoedema Framework Best Practice Consensus Document (2006).

In 2025–26, we undertook an evaluation project of the Lymphoedema Service to understand frailty levels in our patients, recognising that lymphoedema often coexists with long-term conditions and increasing frailty, particularly among older adults. Early findings are helping us understand how frailty affects wider NHS use and will support the development of future frailty-informed care models.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

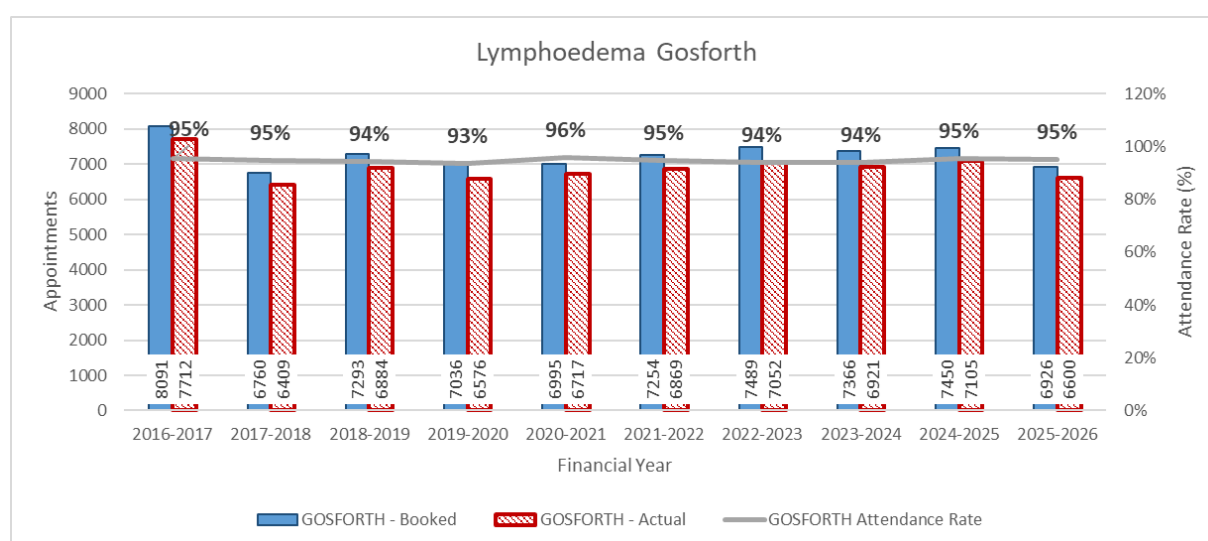
STRATEGIC REPORT – Achievements and Performance (continued)

Our “Living Well with Lymphoedema” sessions continued this year, now delivered as a single session running quarterly. The sessions aim to give our patients the knowledge and confidence to successfully self-manage their condition.

- Within Focus on Living Centre, 1,428 one-to-one contacts were recorded for 268 patients (298 in 2025).
- 1346 referrals to our Lymphoedema Service (2025: 1094 referrals) and a total of 8,729 Lymphoedema attendances (2025: 9,581) across all of our clinics.

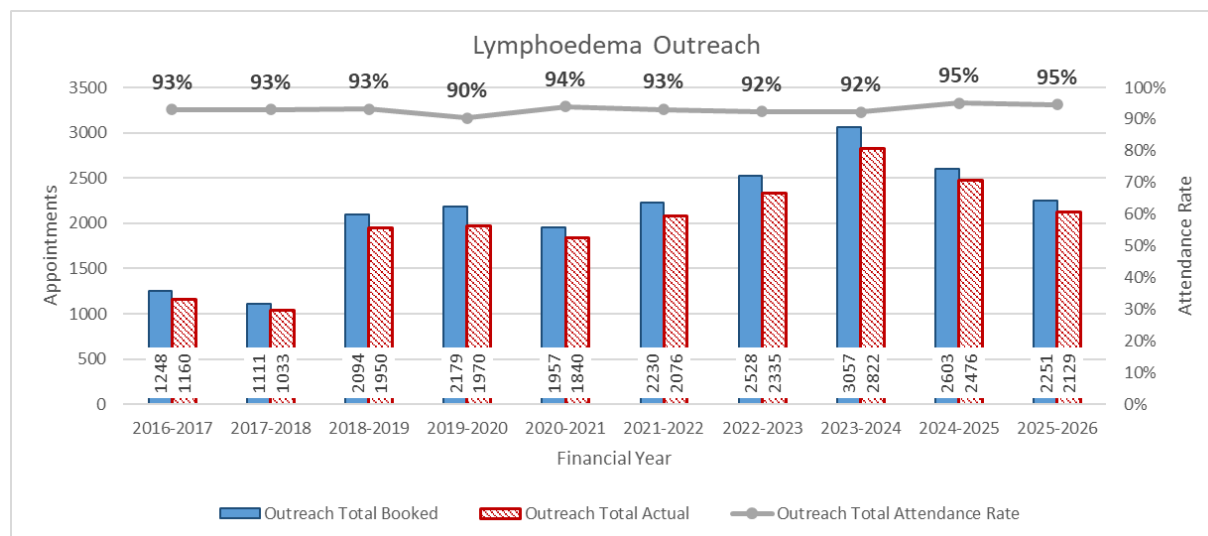
Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.

- We continued to operate outreach clinics to care for and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 1,590 appointments in South Tyneside (2025: 1,792), 278 appointments in our Shiremoor Outreach Clinic (2025: 341) and 261 appointments (2025: 343) held in Blaydon.



TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)



What our Day Services Patients and their families think...

“When I first talked to Elaine (one of the Hospice social workers) about my cancer and how it affects my daily life, I felt like I’d be safe coming to the hospice. The contact with the staff at the Focus on Living Centre has affected me positively in the way that I live my life daily with my cancer diagnosis. Coming to the centre has brought me back to myself. To the real Helen. The joyful Helen.”

“Before coming to the Lymphoedema Service, I could hardly get out of the house. The bandaging and compression stockings used to control my Lymphoedema have made a real difference. The Lymphoedema Service really listen to me and have helped me understand how to manage my condition – my legs are so much better now.”

Children and Young Adults Service

We provide specialist short breaks and palliative care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. We also provide end-of-life care and care after death. Specialist, medically-supported care is provided, 24 hours a day, seven days a week. In 2025–26, our Children and Young Adults Service supported slightly more children, families and young adults than the previous year.

Children staying with us can enjoy a range of activities such as sensory play, music therapy, arts and crafts and baking. Teens and young adults benefit from their own living area – complete with games consoles, wide screen TV and PCs. They also enjoy trips out – such as surf lessons and “Wetwheels” adventures on board the specially-built, fully accessible powerboat.

Our Young Adults Social Group remains a vital part of hospice life, helping young adults build friendships and enjoy new experiences. This year included trips out, social events, a Christmas party at the Holiday Inn, and memorable moments such as a boxing event and a special evening with footballer Kieran Trippier.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)

Construction of our new Young Adults Accommodation was completed in April 2025, creating a two-bedroom, self-contained space to support young people as they transition into adulthood. Funded by the Winifred Futter Will Trust and built by McCarrick Construction, the accommodation will provide a safe, homely environment where young adults can build independence while continuing to receive the care and support they need. In August 2025, young adults and their families were invited to a housewarming BBQ to see the space, which is planned to open in 2026-27.

In May 2025, St Oswald's Hospice was named one of four Regional Centres of Learning for Transition in the UK, as part of a Hospice UK national programme funded by The National Lottery Community Fund. Through the programme, we will receive a share of £1.3 million over four years to help improve the experience of transition from childhood to adulthood for young people with life-limiting conditions.

Activity began in October 2025, since then we have focused on listening to young people, working with the other Centres of Learning and contributing to national plans, including a transitions conference. We will continue to keep young people's voices central, use data to identify those who may benefit from support, and help shape a more coordinated national approach to transition.

In February 2026, our children and young adults also began benefiting from a bespoke Movement Room, generously donated by the Ray of Light Trust. The space supports one to-one therapeutic time with members of the multidisciplinary team, including occupational therapy, physiotherapy and music therapy, in a calm environment designed around individual sensory and wellbeing needs.

Throughout, 2025-26, our Children and Young Adults Outreach Service supported those who need individualised care at home due to complex health and social care needs. Following a review, this service came to an end on 31st March 2026.

This change allows us to focus our resources on expanding our hospice-based Children and Young Adults Service, where demand continues to grow. This includes increasing capacity within the service to support more children, young adults and families to access short breaks and overnight respite. Our Outreach team have moved into on-site roles within the Children and Young Adults Service, ensuring their skills and experience continue to support patient care.

We also offer dedicated support for siblings via our 'Sibz Days' - fun, creative sessions for siblings to share feelings, make friends, and explore medical equipment in a safe space. Sibz Day activities included a visit to the pantomime in January 2026, a trip to a bowling and arcade venue in North Shields, and a hospice-based Sibz Day.

If a child dies at St Oswald's Hospice, their own home or in hospital, we are also here to provide ongoing bereavement support to families.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)

- 52 children and their families benefited from our Children's Service (2025: 50).
- A further 16 young adults were cared for at St Oswald's Hospice (2025: 13).
- We had 641 admissions, 1,956 bed days (2025: 1,945) were occupied with an 78% occupancy rate (2025: 90%).
- The average length of stay is 3 nights per visit (2025: 3) for children and young adults.

We continue to work closely with Great North Children's Hospital and Newcastle upon Tyne Hospitals NHS Trust.

What children, young adults and their families said

"I can't thank the team at St Oswald's Hospice enough for looking after Lucy and loving her like we do. It's like they are our extended family."

"Sophia gets so excited when I tell her it's time to go to the hospice. Sometimes I leave it until the very last minute before I tell her, otherwise she gets far too excited and impatient – she just wants to get there and settle in. The staff at St Oswald's Hospice are the only people in the world I trust to meet all of Sophia's health needs."

Carer, Bereavement and Family Support

Our services to carers include complementary therapy, carers' drop-in sessions, group sessions and one-to-one support.

We also offer a range of support services to bereaved people and their families on a one-to-one basis and in groups.

During 2025-26 any bereaved person could access bereavement support. They are offered face to face or telephone support, which is private, confidential and nonjudgemental. We also offer bereavement groups sessions where people have the opportunity to discuss their feelings with others who are also dealing with the grief and loss of a loved one. We have continued to fund a Children's Lead in our Bereavement Team. This is a permanent post to support children who are bereaved from the death of a loved one.

The bereavement team also provides training to health care professionals and teachers to enable them to support individuals more effectively and understand how grief effects people in different ways.

Community Bereavement Support

Our Community Projects Lead for Bereavement continued to extend our impact through training and partnership work across the region and beyond. This included Professional Grief training through Hospice UK, Corporate Bereavement Training for businesses, and tailored sessions with Northumbria Primary Care and Everyturn Mental Health. This kind of training develops better understanding of

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Achievements and Performance (continued)

the impact of grief and loss, allowing trainees to develop the confidence to support people experiencing bereavement within their communities and workplaces.

We also developed a 30-minute bereavement training video for HMP Northumberland. This will be used for prison staff induction and for any current staff who missed the in-house training we delivered last year. Following positive feedback, the video has been shared with Sodexo colleagues across other UK prisons and with HMPPS Chaplaincy HQ to explore wider use.

Through Grief and Loss Allies, 52 people completed community training, with plans to reach 100 by summer 2026. This work has been largely funded by South Tyneside Council, with additional VCSE sessions supported by South Tyneside Pledge and Inspire and the Hadrian Trust. The approach is also being embedded within the hospice through training for staff, volunteers, managers and retail colleagues.

Last year...

- 160 individual adults (2025: 162 adults) and 119 individual children (2025: 157 children) accessed bereavement support with a total of 1,567 contacts.

What people said about our Bereavement Services...

“Being a widow so young is quite isolating. Your whole life changes, even your friends look at you differently. Having St Oswald's to come to and make things feel normal, and help us get through that is really, really helpful.”

“My wife, and the girls' mum, died in 2022 following a short battle with cancer. Thanks to the love, support and care my girls get from the bereavement team at the Hospice, they've been able to rebuild their lives. It's not until you're faced with this sort of situation that you realise just how vital this service is. In those moments, nobody will be able to help you like they can.”

Research

St Oswald's Hospice continues to significantly advance its research activity, strengthening its position as a research-active organisation delivering high-quality, evidence-based palliative care. During 2025–26, progress was driven by improved governance, increased research capacity, successful funding awards, and deeper engagement with regional and national research infrastructure. This has enabled growth in both research participation and income, while building a sustainable research culture across the organisation.

Key Achievements & Developments

Governance and Oversight:

We strengthened our role within the regional research infrastructure through active participation in the North East and North Cumbria Research Delivery

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Research (continued)

Network (RDN), including representation on the Regional Stakeholder Group and Delivery Operations Group. Notably, we remain the only wider care setting represented, ensuring hospice perspectives influence regional research delivery.

Our relationship with the RDN has continued to deepen, with increasing alignment to national research priorities. This year, we supported six studies on the NIHR national portfolio, demonstrating our ability to deliver high-quality research within a hospice setting and reinforcing our credibility as a research-active organisation within the wider system.

Funding Successes:

Research provides a valuable and sustainable income stream for the organisation. In 2025–26, income reached £85k, including project funding and internships, reflecting steady delivery across a growing portfolio of studies.

Key funding achievements included:

- £23k for the Positive Steps for Inclusive Palliative Care (PSIP) study
- £39k for a frailty-focused lymphoedema project supporting service development
- £13k generated through participation in other studies
- £10k for the first year participation in the NIHR Social Care Nurse Research Internship Programme

Beyond single-year income, our research portfolio is generating longer-term value, with the cumulative value of active studies reaching £131k, demonstrating the sustainability of research as a funding stream.

Delivery of six NIHR national portfolio studies through the RDN underpins this model. This has strengthened our eligibility for infrastructure and strategic funding streams, enabling us to secure recurring investment to sustain and grow internal research capacity. A further £56k has already been secured for 2026–27, including infrastructure and strategic funding through the RDN, providing a strong baseline for ongoing growth.

Capacity Building:

Significant progress has been made in embedding research within the workforce and building organisational capacity.

- To date, three clinical staff have secured funded research internships, including participation in the NIHR Social Care Nurse Research Internship programme.
- Continued participation in the Health Data Science Black Internship Programme has enabled delivery of data-driven projects.
- The Research Volunteers Programme provides skilled volunteers who are actively supporting research delivery and evaluation activity.
- Research awareness has been embedded into staff induction programmes, ensuring all new staff understand the hospice's role as a research-active organisation and supporting a culture of continuous learning and inquiry.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Research (continued)

Collaborative Bids & Partnerships:

Partnership working remains central to research growth and impact, and so we have strengthened relationships with:

- Newcastle University, Northumbria University, and The Open University
- Academic Primary and Community Care Unit (APCCU)
- Other hospices including Dorothy House Hospice in Wiltshire, Havens Hospice in Essex, and St Luke's Hospice in Sheffield
- The Northern Children's Hospices Collaborative, including 10 children's hospices across the North of England.
- Together for Short Lives

By developing new partnerships, including emerging links with Durham University and industry collaborators, we're opening up future opportunities for funded research and innovation.

Active Projects:

The hospice was involved in 18 studies this year (see below), with 10 continuing into 2026–27. This included both clinical and non-clinical research, such as collaborative work with Northumbria University through the Care and Repair Guide project, demonstrating the expanding scope of research activity across the organisation.

Research activity aligns with national priorities, with increasing involvement in NIHR portfolio studies and a focus on areas such as frailty, equity, and care for people with multiple long-term conditions.

Visibility & Impact:

The hospice's research profile continues to grow, with national and international dissemination of findings:

- Research was presented at major conferences including the RDF25 Conference (900+ attendees) and the launch of the regional RDN
- Multiple posters and presentations were delivered across national and international forums, including conferences focused on children's palliative care and learning disabilities
- A poster showcasing the Research Volunteers Programme has been accepted for presentation at the RDF 2026 Conference

These activities enhance the hospice's reputation as an innovative, research-active organisation and support wider sector learning.

The research projects St Oswald's Hospice was involved in during 2025–26, including those active in the year and those that closed during this period, are listed below:

- Adapting the Carer Support Needs Assessment Tool Intervention (CSNAT-I) for use with parent-carers of children with a life-limiting condition: a Person Based Approach to adaptation and programme theory development (Host - Lead: King's College London)

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Research (continued)

- Ethnic Minority Backgrounds: Reflections on Access, Care, and Experiences (EMBRACE) (Host - Lead: King's College London)
- Parent and Professional Experiences of 24/7 Paediatric End of Life (Host - Lead: Uni. of York)
- Exploring Racial Bias in Healthcare and Healthcare Education (Host - Lead: University of Derby)
- Healthcare Professionals' Perception of Parental Roles: Investigating Gender Bias in Paediatric Palliative Care (Host - Lead: Northumbria University)
- Validation of the Self-competence in Death Work Scale among helping professionals in palliative and hospice care in the UK (Host - Lead: Northumbria Uni.)
- Improving Measurement and Priorities for Assessment in Clinical Trials of childhood-onset Dystonia (Dystonia IMPACT) (Host - Lead: Queen Mary University)
- ACCORD- Appropriate measure of Care-COoRDination for patients with Multiple Long-Term Conditions
- Palliative Care Incubator (Host - Lead: Dorothy House Hospice)
- MND-OT Study: Occupational Therapy Intervention for Motor Neurone Disease (Lead Site)
- HOPSCOTCH: Helping Optimise Palliative Care Support during Transition from Children's Hospices (Host - Lead: Uni. of Leeds)
- ParAid Study: Paramedic delivery of end-of-life care (Host - Lead: Uni. of Southampton)
- PROMISE: Palliative Care trajectories of people with multiple long-term conditions (Lead Site)
- PSIP: Positive Steps to Inclusive Palliative Care (Lead Site)
- Transforming care & safety for patients with multiple long-term health conditions (Host - Lead: Newcastle Uni.)
- Informal Caregiving in Non-Malignant Respiratory Disease at End of Life (Host - Lead: UWE Bristol)
- RESTORE: Research Evaluating Staff Training Online for Resilience: A cluster randomised controlled trial (Host - Lead: University of Edinburgh)
- NIHR Multiple Long-Term Conditions Cross-NIHR Collaboration (CNC) - Models of Care Workstream (Host - Lead: University of Exeter)

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT

Financial Performance

Summary of Financial Performance

For the year ended 31 March 2026, the group reported a surplus of £741k (2025: £479k deficit), as outlined in the Statement of Financial Activities on page 58. While the return to surplus is encouraging, year-on-year comparison should take into account that the 2025-26 result includes £1,656k of restricted, one-off income. This income is both non-recurring and had no corresponding expenditure in the year.

In 2025-26, income for charitable activities from statutory sources remained a solid foundation at £7,509k (2025: £6,526k). Meanwhile, the Income Generation directorate continued to perform strongly in securing funds to subsidise commissioned services and to generate income for services that are entirely unfunded and rely wholly on the generosity of our supporters. This includes legacies and donations of £6,542k (2025: £5,193k), together with strong trading performance of £5,719k (2025: £5,664k). As noted above, the 2025-26 result also includes significant one-off restricted income. This comprised a restricted capital grant of £1,056k, administered by Hospice UK on behalf of the Department of Health and Social Care and included within charitable activities, together with the transfer of a property from a local charity, valued at £600k, which has been included within donations and legacies in the Statement of Financial Activities.

Despite continued strategic progress and the provision of wide-ranging care and support to patients and their families, the year was not without its challenges. Persistent inflation, political and economic uncertainty, increases in employer national insurance contributions and a highly competitive employment market have all continued to exert upward pressure on expenditure.

A rolling four-year medium term financial plan is actively maintained and has been updated to reflect the most recent data. This ensures that reserves remain within acceptable limits, as outlined in the reserves policy on page 48.

Financial Performance in Detail

For the year ended 31 March 2026 the group recorded a net surplus, before accounting for movement on the investment portfolio, of £690k (2025: £569k deficit).

For the group, total incoming resources for the year increased by 13.0% to £19,841k (2025: £17,565k). Total resources expended increased by 5.6% to £19,151k (2025: £18,134k).

For the hospice only, total incoming resources for the year increased by 12.7% to £19,118k (2025: £16,963k). Total resources expended increased by 4.5% to £18,267k (2025: £17,486k).

During the year £2,501k (2025: £972k) was recognised in restricted income to cover specific projects and other designated purposes. This is shown in the financial

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Financial Performance (continued)

statements as “restricted income”, and the appropriate expense is shown against it as “restricted expense”. This differentiates it from the normal ongoing operations of the Hospice, which is named “general” income and expense.

The movement on general funds is a true reflection of financial performance in the year and can be summarised as follows:

Group	<u>2026</u>	<u>2025</u>	<u>Movement</u>
General income	17,339,786	16,593,002	746,784
General expenditure	(18,198,874)	(17,164,783)	(1,034,091)
Net income before movement on investments	(859,088)	(571,781)	(287,307)

Hospice	<u>2026</u>	<u>2025</u>	<u>Movement</u>
General income	16,616,834	15,990,602	626,232
General expenditure	(17,315,587)	(16,517,081)	(798,506)
Net income before movement on investments	(698,753)	(526,479)	(172,274)

Incoming Resources

Income is usually categorised as Generated Income (being Donations, Legacies, Trading Activity income and Investment income) or Income from Charitable Activities, more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and legacies totalled £6,542k (2025: £5,193k), of which £980k was restricted (2025: £519k). Other trading activities increased slightly to £5,719k (2025: £5,664k). Investment income, comprising interest and dividends received, was £71k (2025: £182k).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year it was able to gift aid £484k (2025: £660k) to the parent charity. The subsidiary's main activity is the Hospice lottery, and in 2026-27 will host the Hospice's Peter Rabbit Art Trail. The decrease in gift aid received is largely due to profit being reduced in the current year as the art trail sculptures were purchased in year while the corresponding income is deferred until the trail takes place in the summer of 2026.

Investment income, comprising interest and dividends received, was £71k in the year (2025: £182k). The reduction year-on-year reflects lower returns from cash deposits and investments, mainly due to all cash previously held on fixed term deposit being drawn down in 2025 to meet working capital requirements.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Financial Performance (continued)

Incoming Resources from Charitable Activities

As in previous years our charitable activities were part funded from the NHS and local authorities, totalling £7,508k in the year (2025: £6,526k). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totalled £2,096k (2025: £2,107k). A restricted capital grant of £1,056k (2025: £nil) was received from the Department of Health Social Care (administered on their behalf by Hospice UK), which was used predominantly for the refurbishment of our adult inpatient unit.

Our Children and Young Adults' Service continues to be funded by local authorities on an activity basis via a payment per night for each child or young adult accommodated, generating total income of £1,630k (2025: £1,647k). As in previous years a grant was received from NHS England of £465k (2025: £453k) to support the activities of our Children's Service. The Children's Outreach Service generated tariff income of £98k in the year (2025: £79k). Despite this new pilot service generating additional income, it is not self-funding, and sadly the decision has been taken to end the pilot and re-provide care on-site.

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for the year was £2,078k (2025: £2,188k).

Resources Expended

Resources Expended are classified as either Cost of Raising Funds, or Cost of Charitable Activities, of which a more detailed description is provided below.

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2019, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Management and Technology and Finance departments have been allocated to each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

Costs of Raising Funds

The cost of raising funds totalled £6,775k overall (2025: £6,123k). The increase is driven by higher staffing and operating costs across income generation activities, plus the cost of the purchase of the art trail sculptures in the year of £125k (2025: £nil).

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Financial Performance (continued)

Costs of Charitable Activities

Expenditure on our charitable activities of £12,376k (2025: £12,011k), including property costs, depreciation charges and support costs, represents 65% of total expenditure (2025: 66%). Staff costs remain by far the greatest type of expenditure incurred and continue to account for much of the increase year-on-year.

Balance Sheet

The Balance Sheet at 31 March 2026 shows funds of £18,153k (2025: £17,412k) of which £13,304k (2025: £11,305k) is represented by fixed tangible and long-term investment assets. The year-on-year increase is mainly due to capital investment, in particular that funded by the Hospice UK Capital Grant of £1,056k awarded in the year, alongside the increase in restricted funds.

Additionally, the construction of the Young Adults' Accommodation was completed in the year, with final commissioning and fit out well underway. The transfer of a property from a local charity was recognised as income of £600k in the year (the property was subsequently sold post year end), which alongside some smaller grants and appeal donations funded the project, with a small amount of unrestricted funding being drawn from reserves to cover a small shortfall of £88k (2025: £nil).

At 31 March 2026, no balance was held in a short-term deposit account (2025: £1,004k); balances were drawn down during the year to support working capital requirements and capital commitments.

Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments. Investment Policy and Performance on page 48 further details the performance of long-term investments and the short-term deposit account.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Financial Performance (continued)

Key Performance Indicators

	Unit of measure	Target	2026	2025
Value of free reserves	£000's	8,856	5,780	6,600
Expenditure variance from budget	%	<5%	6%	7%
Retail profit margin	pence in £	24	11	17
Fundraising income ratio	Multiple	3.76	5.18	4.96
Staff turnover	%	<5%	13%	9%
Adult inpatient occupancy	%	84%	72%	81%
Children and young adults occupancy	%	90%	78%	90%

During 2025–26 we made a conscious and considered decision to tolerate performance below several of our KPI targets in order to protect service delivery during an exceptionally challenging period. Faced with sustained workforce pressures, rising costs and essential refurbishment works, the Board prioritised continuity of care and organisational stability over short-term KPI achievement, recognising that maintaining safe, high-quality services was the most responsible course of action for our patients, families and staff.

More specifically, expenditure was higher than budget in 2025-26, due to higher than budgeted staffing costs; both as a result of pay awards approved by Trustees in order to keep us competitive with NHS Agenda for Change pay scales and non-clinical employment markets, and a higher number of staff to cover absence due to sickness and maternity cover.

Retail profit (pence in £ profit) is lower than target due to a high cost base driven by high staffing costs and the cost of refurbishing and maintaining shops. Fundraising income ratio (£ income generated per £ investment) is stronger than budgeted; significantly higher income from campaigns and legacies was generated with very minimal additional outlay.

Staff turnover continues to be very high; the employment market is extremely competitive at present, and often the charity sector does not have wage parity with private sector salaries. Whilst we benchmark pay to similar roles outside of the organisation, and aspire to move towards these levels, as a charity we must balance the requirement to manage our expenditure on a recurring basis with the need to reduce staff turnover, and so this is not always possible.

Occupancy rates within the Adult Inpatient Unit are lower than last year due to bed closures during the refurbishment works; Children and Young Adults Service is lower compared to the prior year due to higher staffing ratios required for some of our young people.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT (continued)

Section 172 Statement

The Trustees are the directors of St Oswald's Hospice and have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- the likely consequences of decisions in the long term
- the interests of employees
- the need to foster the Charity's relationships with third-party stakeholders which, in the case of St Oswald's Hospice, includes our patients and their families, the local community, the NHS and our supporters
- the impact of the Charity's operations on the community and the environment
- the desirability of the Charity maintaining a reputation for high standards of business conduct.

The Charity's forecast financial plan and strategy takes into account the likely consequences of decisions in the long term. The areas of focus for our current strategy for 2023-27 are set out on page 11. The Board usually meets every second month throughout the year. It assesses progress against the strategy, identifies areas of focus for the following year and receives updates on the Charity's performance and financial plans. Its committees also review plans, strategies and activities with regard to the particular terms of reference overseen by the committee concerned. The Board also holds two mini away days each year for strategic planning.

The Board obtains assurance that appropriate consideration is given to the factors set out in section 172 when promoting the success of the Charity by monitoring delivery of the Charity's aims, objectives and strategy, and compliance with relevant policies. Engagement with the Charity's main stakeholders is set out from page 36. The Hospice Management Team reports to the Board on key stakeholder relationships and engagement activities, including current issues and relevant feedback received through interactions with stakeholders.

The Trustees follow a formal process to regularly manage and review risks that are faced by the Charity, set out from page 44.

The Charity ensures that it maintains a reputation for high standards of business conduct by having in place a range of policies and processes that promote corporate responsibility and ethical behaviour. Areas covered include fundraising, gifts and hospitality, conflicts of interest, safeguarding, respect at work and freedom to speak up. Our fundraising practices are outlined in the Monitoring and Compliance section from page 36. Policies are reviewed periodically. Within the Hospice Management Team and the Board of Trustees, there are also dedicated leads for Equity, Diversity and Inclusion (EDI), Safeguarding and Freedom to Speak Up.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT (continued)

Ensuring Quality Care: Monitoring and Compliance

We have a range of mechanisms in place to help us continue providing outstanding care and support across all our services.

External regulation and quality standards

We are monitored and regulated by the Care Quality Commission (CQC). At our last inspection in September 2015, we were awarded an overall rating of 'Good'. The CQC rated us as 'Outstanding' for care, for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made.

The Single Assessment Framework is currently in place, although it is under consultation. We have reviewed our performance against the requirements set out in the Quality Statements and continue to engage with the CQC as they move towards a new approach to regulation. We also continue to promote the CQC feedback portal with patients and families.

Listening to patients, families and stakeholders

Service user experience remains a priority. We continue to listen to feedback from patients, children, young adults and families, and act on it wherever we can.

We gather feedback and measure patient experience through:

- questionnaires
- face-to-face interviews
- focus groups
- submissions to our feedback bank
- our formal complaints policy and procedure.

Our feedback bank provides a central record of patient experience data, as well as comments, complaints, compliments and suggestions from wider stakeholders. This year, we continued to develop the Consultation Network – a group of people, not necessarily already known to us, who contribute to developments within the Hospice.

Clinical quality and governance

Our Clinical Quality Team reviews issues relating to patient experience and the quality of our services. The team includes clinical quality leads from each service, led by the Clinical Quality Lead, and works closely with colleagues across the Hospice services.

The team is involved in areas including:

- clinical audit
- policy development and review
- medicines management
- safeguarding for vulnerable adults and children
- wider quality improvement work.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT - Monitoring and Compliance (continued)

Regular updates are provided to Trustees through our Clinical Quality and Governance Committee.

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and adhere to the Code of Fundraising Practice. We update our Fundraising Policy every three years, and it is available on request.

It has cost us £12,376k (2025: £12,011k) to provide our charitable hospice services this year. Approximately 52% of this came from statutory funding. We aim to raise the balance of funding required through our fundraising activities.

Our fundraising efforts include donations and gifts in wills, running events and operating a lottery.

Our lottery and raffles are regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received no complaints in the 2025-26 financial year (in 2024-25 we received one complaint). The complaint received was reviewed in line with our policy and has since been resolved and closed.

We have published our vulnerable person policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us.

Under GDPR, our supporters have many legal rights over the way their personal data is used. We ensure that we have an appropriate legal basis to use personal data, including when and how we contact supporters. For more information on how we use personal data in our fundraising, please see our [Privacy Policy](#) on the website.

Ensuring Quality in Retail: Monitoring and Compliance

In line with our organisational values, St Oswald's Hospice retail department is committed to providing a safe, supportive, and professionally managed working environment for all staff and volunteers. We maintain systems to monitor standards, manage risk and ensure our retail activity operates safely, legally and effectively.

We play an active role in internal forums such as the Fire Focus Group, Health and Safety Group, and Emergency Planning Group, ensuring we stay aligned with internal standards and expectations. Additionally, we work closely with our external Health and Safety consultant, Pivotal Health and Safety Services, to remain up to date with legislative changes and industry best practice.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT - Monitoring and Compliance (continued)

As members of the Charity Retail Association (CRA), we benefit from sector insights, legislative updates and benchmarking data. We contribute to the CRA Quarterly Market Analysis research report, which provides information on current charity retail performance including sales, transaction data, Gift Aid, shop numbers, comparisons with commercial retail performance, rag prices and more. This supports our ability to review performance, understand sector trends and identify areas for improvement.

Training and development continue to support compliance, safety and quality across our retail teams. Members of the Retail Leadership Team completed a two-day City & Guilds Manual Handling train-the-trainer course, enabling training to be delivered to Retail Managers and cascaded through teams. A management development programme has also continued for Retail Shop Managers, covering areas including Active Bystander, Emotional Intelligence and Compassionate Leadership.

Workshops have been delivered on One Drive, Teams, Vantage and Cascade for Shop Managers and Shop Assistant Managers, ensuring they are confident and competent in using key systems. This supports the organisational plans for cyber security and file migration, while enhancing the skillset of our retail management team.

Following last years' Fire Risk Assessments, remedial actions have been followed up on. EICR works have been planned and co-ordinated with contractors and an implementation plan devised. This project has been scoped out and clearly communicated to all parties involved. A recent fire brigade inspection at our Sunderland shop was positive, confirming that all relevant due diligence and practice are in place. Training compliance is monitored regularly to ensure high standards are maintained across the department.

All retail projects are now delivered under a structured project framework, where risks are clearly identified and appropriate control measures are implemented wherever possible. Successful refits have been carried out in Gateshead and Kingston Park.

Retail Shops receive a monthly operational standards visit from their Area Manager to ensure consistently high standards across all shops. The aim is to have the best charity shop in each community we serve using the six pillars – ***style, service, storytelling, experience, quality and excellence*** – as our framework.

Gift Aid remains a vital income stream and continues to be supported by clear processes and controls. Gift Aid training forms part of new starter inductions, and our EPOS system, Kudos, includes built-in measures to support HMRC data capture requirements.

We have also worked closely with our Data Protection Officer to complete due diligence and data mapping for new e-commerce platforms. This ensures any new platforms adopted by the Retail team are assessed appropriately, with associated risks identified and mitigated before implementation.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT (continued)

Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff and Volunteers

It is essential that we have the right staff and volunteers in place to enable us to achieve our strategic objectives and to provide a quality service for everyone who accesses our services. We do this by making sure that we have effective systems and procedures in place to ensure we recruit, develop, support and manage our people, ensuring they have the skills, knowledge and values we need to deliver our services both now and in the future.

Our People related policies and procedures comply with legislative and regulatory requirements, reflect best practice and govern all our activities, ensuring our staff and volunteers work within safe and effective systems.

St Oswald's Hospice Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults are subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment, volunteering or placements commence.

Wellbeing

Wellbeing is a key theme of our People Strategic Action Plan which is based on the principles of 5 Ways to Wellbeing. St Oswald's Hospice have the Bronze Award for Better Health at Work and we continue to support the mental health of our dedicated teams in various ways including wellbeing days, mental health first aiders, bereavement support, counselling support, menopause support, tailored support groups, financial wellbeing initiatives plus many others.

We have two Freedom to Speak up Guardians in place to support staff and volunteers as part of our culture of openness and learning in line with our organisational values.

Engagement and Involvement

We operate a program of quality 1-1 conversations between staff and their line managers instead of a formalised appraisal system, to support trust and collaboration. This is facilitated via our People Management System, Cascade.

Each year we deliver planned learning, development and education programmes to ensure our staff and volunteers are able to undertake their roles safely, in a well-managed environment, equipped to deliver high-quality services. Our approach is still blended learning with any on-line elements being delivered through our Learning Management System (Bluestream Academy). Planned management development sessions are held quarterly covering a range of topics.

The views of staff and volunteers are sought through line managers, feedback bank, special briefings, clinical safety huddles, focus groups, surveys and

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Policies to Achieve Our Objectives (continued)

departmental visits from the Hospice Management Team and Trustees.

Equity, Diversity and Inclusion

The Equity, Diversity and Inclusion (EDI) group has a clearly defined plan that supports EDI in service provision and in supporting and developing all our people. The plan is supported by various training opportunities for staff and volunteers, to help them support others within the organisation.

We conduct an annual Equity, Diversity and Inclusion Survey which includes all characteristics of our staff and volunteer workforce.

Staff Remuneration

Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. Our People Committee sets the salaries of the Hospice Management Team and Medical Consultants.

Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Pay Policy for Senior Staff

The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Hospice on a day-to-day basis. All Trustees give their time freely without remuneration. Details of any Trustee expenses and related party transactions are disclosed in the financial statements.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Hospice Conflict of Interest Policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Hospice People Committee, and any recommended uplift is approved by the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities and relevant organisations of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity

St Oswald's Hospice is committed to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Policies to Achieve Our Objectives (continued)

We promote an environment in which individual staff and volunteers can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible. We are a Disability Confident Leader, an Age Friendly Employer, we hold the Employers Network for Equality and Inclusion's (ENEI's) Talent, Inclusion and Diversity Evaluation (TIDE) Silver Award, and this year we received a gold neurodiversity award from Autistica for our demonstrable commitment to neuro-inclusion.

Volunteers

We are a volunteering organisation and are exceptionally proud of our team of almost 1000 volunteers. Volunteers are active in almost all departments across the Hospice and Promotions Company, lending their skills, experience, expertise and time. Together with our staff, our volunteers form our fantastic team of people who ensure we are able to provide vital hospice services to local people and families.

Our Volunteering strategy supports the continuing development of innovative new volunteering opportunities, whilst ensuring our volunteering offer is robust and meets the evolving needs of all areas of the organisation and all generations.

We operate a Volunteer to Career Pathway to support volunteers with clinical career aspirations within the Health and Social Care Sector and within the Retail Sector.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT (continued)

Sustainability

St Oswald's Hospice is committed that together everyone in our region gets expert, dignified and compassionate care when and where they need it and that we do this while tackling climate change and focusing on our environment and sustainability. This is embedded in our 2023-27 Strategy and underpinned by the Safety, Health, Environment and Fire (SHEF) focus of our organisation to ensure that we continue to be a reliable partner for the NHS and other organisations we work with.

During the year our Environment and Sustainability steering group reporting into our senior leadership team, aimed to integrate the assessment, management, and control of environmental issues into the day-to-day management of our business.

Addressing waste issues continues to be high on our agenda. Our Retail Team is instrumental in providing an outlet for people to reuse and recycle unwanted clothes, books, and household items, while being able to shop sustainably.

What we have achieved:

- **Estate Upgrades Completed:** We successfully completed the major rewiring and LED light replacement project across our estate, directly reducing our electrical baseload.
- **Strategic Procurement:** Submitted and actioned our energy plan, successfully securing fixed sustainable energy contracts.
- **Engagement:** Facilitated an ongoing education and engagement programme, including active participation in Great Big Green Week in June 2025.
- **Digital Transformation:** Progressed the e-prescribe project, rolling out the next phase with our Children and Young Adults team in the first quarter of the year.

What we intend to do:

- **Decarbonisation:** We have commenced development of plans for a 185kW Solar PV and 100kW battery storage project at our main hospice site, alongside the decarbonisation of our retail transport fleet, transitioning our retail vehicles from diesel to fully electric. These initiatives are expected to deliver substantial long-term operational savings while reducing our carbon footprint.
- **Low-Carbon Heating:** Following its successful installation at the start of the 2026/27 financial year, we will be actively monitoring the efficiency and impact of our new Air-to-Air heat pump at the Ouseburn depot to inform the future decarbonisation of heating across our wider retail and clinical estate.
- **The Circular Economy:** Endorsing new targets for our retail network, specifically aiming to achieve Zero Waste to Landfill across our retail operations diverting an estimated 1,400 tonnes of waste annually.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Sustainability (continued)

To support these objectives, we have also streamlined our governance structure, transitioning our environmental working groups to a quarterly strategic cycle to focus squarely on major project milestones and measurable carbon reduction.

Streamlined Energy and Carbon Reporting (SECR) Statement

Methodology

Our methodology followed the HM Government report guidelines for SECR, using the widely accepted GHG Conversion Factors for Company Reporting (2025). For Scope 1, 2, and 3 emissions, we utilised billing data from our utility companies, fleet data collated from our tracking system and fuel card reporting, and grey fleet information collated directly from staff expense claims.

Energy Consumption and Carbon Footprint

The table below details our mandatory energy consumption and greenhouse gas emissions for the 2025-26 financial year, with previous year comparisons to demonstrate our evolving footprint.

Reporting Metric	2026	2025
Total Energy Consumption (kWh)	2,630,084	2,610,828
Scope 1 Emissions (tCO₂e) <i>(Gas combustion & Hospice Fleet)</i>	337.3	341.0
Scope 2 Emissions (tCO₂e) <i>(Purchased electricity)</i>	129.2	149.0
Scope 3 Emissions (tCO₂e) <i>(Business travel / Grey Fleet)</i>	17.7	19.0
Total Gross Emissions (tCO₂e)	484.2	509.0

Intensity Ratios

To accurately measure our performance as an organisation, we have provided two different intensity metrics this year:

- kWh and tCO₂e per FTE (full-time equivalent employee). This is the primary measure we have used over previous years.
- Square Metre (SQM) of our estate.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Sustainability (continued)

Based on a total operational floor area of 8,900 SQM, our primary intensity ratio for the 2025-26 financial year is 0.054 tCO₂e / SQM. Our secondary intensity ratio, based on 316 FTE employees, is 1.53 tCO₂e / FTE and 8,323.05 kWh / FTE.

Carbon Footprint

When reviewing our carbon footprint, fluctuations in our total emissions and intensity ratios can be explained by a number of operational factors:

- **A Greener National Grid:** The UK Government's GHG Conversion Factors dropped significantly this year due to an increase in national renewable energy generation. This means that every unit of electricity we purchased was inherently "cleaner" and produced fewer carbon emissions than the previous year.
- **Changes to the Estate:** The size of our estate increased (including new clinical accommodations and several retail units moving to larger, more fit-for-purpose premises), which explains the increase in total energy consumption (kWh).
- **Improved Efficiency:** The completion of our LED lighting project helped curb our electricity demand, ensuring that our emissions footprint shrank even as our operations grew.
- **Better Tracking:** Improved recording of staff miles and fleet fuel usage has given us a more accurate baseline.

When reviewing our historical intensity ratio, our emissions per FTE for 2024-25 were 1.61 tCO₂e, and our ratio per square metre was 0.049 tCO₂e. For the 2025-26 financial year, we are pleased to report that despite our total energy consumption increasing, our emissions per FTE successfully dropped to 1.53 tCO₂e, and our total gross emissions decreased from 509.0 tCO₂e to 484.2 tCO₂e. Our footprint per square metre saw a slight shift to 0.054 tCO₂e, directly reflecting the expanded square footage of our retail and clinical operations versus our total energy use.

In this coming year, we must remain acutely aware of our energy consumption and take further steps to reduce it.

Managing Risk

Keeping patients, families, staff, volunteers and visitors safe is a fundamental principle at St Oswald's Hospice and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT have continuous access to the Risk Register and the associated action plans. Trustees are notified of adverse events via reporting to the committee structure and they are escalated to Board if required.

There are a number of dedicated sub-groups which feed into the Hospice Management Team operational meetings, the output of which are reviewed at committee level and shared with the Board where required.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Managing Risk (continued)

We have a Clinical Quality Team which is led by the Clinical Quality Lead. Other Team members include experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The Clinical Quality Team monitors and reviews clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

A Clinical Quality Report is presented at each meeting of the Clinical Governance and Quality Committee (a sub-committee of the Board of Trustees). The report provides the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of various sub-groups and outlines the plans going forward.

A Safety Health Environment Fire/Risk Management Report is also presented at each Clinical Governance & Quality Committee meeting.

Safety, Health, Environment and Fire Risks

External consultants as appointed from time to time provide St Oswald's Hospice with safety, health, environment and fire risk management advice and an additional layer of scrutiny to our operations. They support the implementation of a wide-ranging action plan and offer ad-hoc advice where necessary.

Clinical Risks

There are a number of dedicated sub-groups which feed into the Clinical Governance and Quality Committee, namely: Infection Prevention and Control, Water Hygiene, Emergency Preparedness, Resilience and Response (EPRR), Clinical Audit and Research, Nutrition and Hydration, Medicines Management, Manual Handling and Falls Prevention, Clinical Education, Medical Cases, Enablement Group, Equity, Diversity and Inclusion, Safeguarding, and Bereavement. The Clinical Quality Lead presents reports from the Clinical Quality Team to the Clinical Governance and Quality Committee.

Each of the clinical units hold a clinical risk register which monitors the key risks and control measures for each unit. These are live documents monitored by each team through their leadership meetings.

Adverse events provide vital information in the identification and monitoring of risk and the process is used as a source of learning. A regional Hospice plan utilising the Patient Safety Incident Response Framework (PSIRF) is now in place, which emphasises the learning response to incidents rather than apportioning blame.

National alerts are monitored to ensure that any medication, equipment or processes are adapted where necessary.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Managing Risk (continued)

Risk assessments are maintained for various tasks, activities or events as well as for specific areas of care e.g. moving and handling risk assessments are completed for all service users.

External Bodies

Throughout the financial year, Azets Audit Services has acted as internal auditor conducting a programme of works reviewing all aspects of financial control, alongside non-financial controls, procedures and governance.

Financial Risk Factors

Risks are reviewed annually by the Trustees and the most significant financial risks facing St Oswald's are as follows:

Income Risk

Income risk arises from continued reliance on voluntary income streams such as donations, legacies, retail, lottery and community fundraising, all of which remain sensitive to economic conditions and changes in donor behaviour. In 2025-26, this risk is heightened by sustained cost pressures, increased competition for charitable giving, and uncertainty over the timing and adequacy of statutory funding. Although Government capital support for hospices has been welcomed, it does not address the underlying revenue gap in funding day-to-day care. At the same time, statutory commissioning arrangements continue to fall short of matching the increasing costs facing the charity, such as increases in Agenda for Change pay and wider employment costs placing additional pressure on charitable resources.

The operating environment for 2025-26 remains challenging. Inflation has eased from recent peaks but cost bases remain somewhat higher than pre-crisis levels, particularly for pay, clinical supplies and contracted services. Demand for palliative and end-of-life care continues to grow as the population ages and more care is expected to be delivered in community settings. Against this backdrop, we face ongoing uncertainty around NHS commissioning, the affordability of maintaining services at current levels, and the ability of fundraising and retail operations to keep pace with expenditure growth.

This risk is mitigated as far as possible through regular financial forecasting, active oversight of reserves and cash flow, diversification of income streams, and fundraising strategies that respond to local conditions, and understanding our supporters well: Strong donor stewardship and investment in retail, individual giving and legacy development help to maintain voluntary income. The Hospice seeks regular dialogue with commissioners and our other partners, to achieve fairer and more sustainable funding arrangements, all the while aiming to protect frontline care wherever possible. Trustees continue to monitor the affordability of services closely and take early action where financial pressures may affect viability.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Managing Risk (continued)

Fraud and Financial Crime Risk

The Hospice faces an increased risk of fraud and financial crime through cyber-enabled threats such as phishing, business email compromise, supplier impersonation, payroll fraud, ransomware and the misuse of personal or financial data. As digital systems and online fundraising continue to expand, charities remain attractive targets for organised criminals seeking access to funds or sensitive information. The Hospice is also exposed to more traditional risks associated with handling cash in retail shops, fundraising events and on-site activities. Robust internal financial controls, segregation of duties and defined approval processes are therefore essential to reducing the risk of fraud, error and theft.

Staff are made aware of their responsibilities in relation to cyber security, fraud prevention and cash handling through induction and ongoing training. Key controls include multi-factor authentication where appropriate, dual authorisation for payments, independent verification of changes to supplier or payroll bank details, restricted system access, reconciliation procedures, and prompt review of unusual transactions or incidents. The Hospice keeps its policies and controls under regular review in line with Charity Commission guidance and evolving threats. Where fraud, attempted fraud or cyber incidents are suspected, the Hospice follows its Fraud Response procedures and reports matters to the appropriate authorities, regulators and Trustees on a timely basis.

Investment Risk

The Hospice's investment portfolio is exposed to fluctuations in global financial markets, including changes in interest rates, inflation expectations, geopolitical instability and wider economic uncertainty, all of which may affect capital values and income returns. Performance is monitored by the Audit and Finance Committee throughout the year against the Hospice's investment objectives, liquidity needs and risk appetite. The portfolio is intended to support both long-term growth and a sustainable level of income.

During the year, the Hospice undertook a tender process to appoint a new investment manager following UBS's decision to withdraw from the charity investment market. Rathbones Investment Management was appointed in November 2025, and the portfolio was transferred to their stewardship in the final quarter of the financial year. The full portfolio is invested in a charitable fund managed by Rathbones Investment Management. Trustees remain mindful that market volatility may affect the value of the portfolio available to support future operations and strategic priorities.

Liquidity Risk

Trustees monitor the Hospice's liquidity through regular management accounts, KPI reporting and detailed cash flow forecasts. While the Hospice has historically maintained sufficient cash resources to meet its obligations, the combination of volatile income, rising workforce costs and uncertainty in statutory funding means liquidity must be managed carefully in 2025-26. The Hospice seeks to maintain an appropriate level of accessible cash and when appropriate, short-term deposits, supported where necessary by realisation of investments in an orderly manner, so

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Managing Risk (continued)

that working capital commitments can be met without undue disruption to services. Early identification of financial pressures enables mitigating action to be taken in a timely way.

Regulatory Statements

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile. Once again, this year no withdrawals were made from the investment portfolio (2025: £nil sold), other than to transfer the full portfolio to our new investment manager, Rathbones Investment Management, following UBS's withdrawal from the charity investment market. Dividend income is paid over to the Hospice as it is received. The portfolio has experienced a net gain of £51k (2025: net gain of £89k) during the year, as detailed in Note 16 of the financial statements.

In response to working capital requirements, the Hospice drew down all cash which had been held in a 95-day notice deposit account, which was attracting interest at a rate of 0.05% above base rate. Therefore, funds held on deposit were £nil at the year-end (2025: £1 million). Interest earnings in the year decreased to £20k as a result (2025: £132k).

Reserves Policy

Strategic financial plans are updated on a rolling programme, providing a financial year's budget plan with an accompanying three-year projection that outlines the likely financial impact on reserves.

The financial plan enables Trustees to assess longer-term financial pressures and opportunities for St Oswald's Hospice, be they external factors or internal objectives. Our plans highlight the pressures and uncertainties placed on our resources by changes in the employment market, volatility in the wider economy, the fundraising and retail environments, the NHS, changes in the demand for our various services, alongside our continued reliance on potentially unpredictable sources of income such as legacies. To counter these pressures, reserves are held to ensure continuity of services, meet contractual obligations, and provide contingency funding. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Regulatory Statements (continued)

establish a maximum level of reserves based on income and expenditure expected in a twelve-month period.

Our acceptable range of free reserves is reviewed annually and for this year the range is considered to be between £4.7 million and £14.0 million. Within this broad range, we have a target of £9.3 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

As at 31 March 2026, our group accumulated general funds stood at £10,606k (2025: £11,565k). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets and not designated and not held within the subsidiary trading reserve. Using this definition, the free reserves of the Charity (and Group) at 31 March 2026 were £5,780k (2025: £6,600k).

Whilst acknowledging free reserves are below our target of £9.3 million, it is worthy of note that unlike in prior year we have no substantial future capital commitments (other than the completion of the inpatient unit refurbishment).

The four-year medium term financial plan has been developed, taking a fair view of predicted income and expenditure in the context of the volatile financial environment we are currently operating within. The main objective of the plan is to seek cost reductions and efficiency savings in order to rebalance our recurring income and expenditure, hence bringing the operational income and expenditure back into balance over this timeframe.

This has meant that we have had to expect deficit financial results in the near-term, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached. In considering the reserves as part of the budget-setting cycle, the Trustees are confident there is sufficient reserves remaining to fund the planned future deficits between income and expenditure, and also to make essential investment non-recurrently in the charity's facilities and technology infrastructure.

The Hospice designates certain reserves for specific purposes, and Trustees approve a list of designated funds each year. During the year two funds which had been designated in the prior year for the Young Adults' Accommodation and re-wiring project were fully utilised. Two new funds were established to ring-fence appeal monies raised for our family support services, which held a balance of £234k at March 2026 (2025: £nil) and for the purchase of new wheelchair accessible vehicle of £45k (March 2025: £nil). Smaller funds raised donations for specific items totalled £22k at 31 March 2026 (2025: £91k). These funds are set aside for a specific use in the following financial year.

Future Plans

Our strategy informs the medium-term direction of the charity, to aim to deliver more and better care to more people in more places. To achieve this, the Trustees remain committed to safeguarding the financial stability of the Hospice.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Regulatory Statements (continued)

Expenditure of general reserves outside of the planned deficits included in the medium-term financial plans is limited to non-recurring costs, essential outlays required to maintain existing services, or initiatives with a high degree of confidence in achieving self-sufficiency following initial start-up funding.

Plans for Fundraising and Retail strategies for future years remain creative and responsive to our supporters and stakeholders to maximise net income generation.

Going Concern

The Trustees are aware of the risks to income from the rising cost of living and commissioning organisations experiencing financial pressures, coupled with rising costs from extremely high inflation and salary market forces. With this in mind we have developed a cautious four-year business plan to forecast income and expenditure, and the necessary use of free reserves to bridge any shortfall in funding, while ensuring levels remain well within our stated acceptable limits. Contingency plans, however, are in place to adjust the charity's obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register is regularly reviewed and updated to reflect the new exposures faced. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' Responsibilities Statement

The Trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 the group, and of the income and expenditure of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT – Trustees' Responsibilities Statement (continued)

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which 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 the 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 auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

By Order of the Board



S P James

Chair

Date: 01/10/26

ST OSWALD'S HOSPICE LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

For the Year Ended

31 MARCH 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED

Independent Auditor's Report

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent 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 Company (Hospice) 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' 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 Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirement.

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 51 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the parent charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety, the Care Act 2014 and the Gambling Commission. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected copies of the annual return to regulators.

The group audit engagement team identified the risk of management override of controls, valuation and completeness of grant, contract and legacy income as the areas where the financial statements were most susceptible to material misstatement due to fraud.

Audit procedures performed in relation to management override of controls included but was not limited to testing journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

Audit procedures performed in relation to valuation and completeness of grant, legacy and contract income included but was not limited to verifying a sample of transactions to third party supporting documentation, reviewing the income

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

recognition policy and confirming income is recognised in accordance with the SORP criteria and any corresponding accrued or deferred amounts have been correctly recorded.

Audit procedures performed specifically in relation to the completeness of legacy income included but were not limited to the review of the legacy pipeline, and correspondence within the legacy files.

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

Use of our report

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

Sarah Mallinson

SARAH MALLINSON FCA (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

1 St James' Gate

Newcastle upon Tyne

NE1 4AD

Date 05/10/26

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)**

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	General funds	Restricted funds	Total 2026	Total 2025
Income and Expenditure		£	£	£	£
Income from:					
Donations and legacies	2	5,561,574	980,371	6,541,945	5,193,135
Other trading activities	3	5,718,964	-	5,718,964	5,664,137
Investments	5	70,975	-	70,975	181,752
Charitable activities	6	5,988,273	1,520,528	7,508,801	6,526,388
Total income		<u>17,339,786</u>	<u>2,500,899</u>	<u>19,840,685</u>	<u>17,565,412</u>
Expenditure:					
Costs of raising funds					
Voluntary Income	7	958,701	-	958,701	802,490
Cost of activities for generating funds	7	5,805,510	-	5,805,510	5,310,494
Investment Management Fees	7	10,881	-	10,881	10,173
Cost of Charitable Activities	8	<u>11,423,782</u>	<u>952,113</u>	<u>12,375,895</u>	<u>12,011,054</u>
Total Expenditure		<u>18,198,874</u>	<u>952,113</u>	<u>19,150,987</u>	<u>18,134,211</u>
Net (expenditure) / income before movement in investments		(859,088)	1,548,786	689,698	(568,799)
Gain on investment assets	16	<u>51,132</u>	<u>-</u>	<u>51,132</u>	<u>89,887</u>
Net movement in funds		(807,956)	1,548,786	740,830	(478,912)
Total funds brought forward					
At 1 April	22	11,565,176	5,847,081	17,412,257	17,891,169
Transfers between funds	22	(151,714)	151,714	-	-
Total funds carried forward at 31 March	22	<u>10,605,506</u>	<u>7,547,581</u>	<u>18,153,087</u>	<u>17,412,257</u>

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 62 to 99 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2026

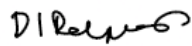
Group/Hospice

		Group		Hospice	
	Notes	2026	2025	2026	2025
		£	£	£	£
Fixed Assets					
Tangible assets	15	11,898,486	9,929,910	11,898,486	9,929,910
Investments	16	1,405,951	1,375,353	1,405,953	1,375,355
		<u>13,304,437</u>	<u>11,305,263</u>	<u>13,304,439</u>	<u>11,305,265</u>
Current Assets					
Stocks		53,675	70,858	42,336	32,704
Debtors	17	3,895,265	2,773,348	3,824,462	2,774,412
Short term deposit		-	1,004,393	0	1,004,393
Cash at bank and in hand		2,717,772	3,474,456	2,358,286	3,311,147
		<u>6,666,712</u>	<u>7,323,055</u>	<u>6,225,084</u>	<u>7,122,656</u>
Creditors:					
Amounts falling due within one year	18	<u>(1,818,062)</u>	<u>(1,216,061)</u>	<u>(1,397,959)</u>	<u>(1,197,520)</u>
Net current assets		<u>4,848,650</u>	<u>6,106,994</u>	<u>4,827,125</u>	<u>5,925,136</u>
Total assets less current liabilities		18,153,087	17,412,257	18,131,564	17,230,401
Provisions for liabilities	19	-	-	-	-
Net assets		<u>18,153,087</u>	<u>17,412,257</u>	<u>18,131,564</u>	<u>17,230,401</u>
Funds					
Unrestricted funds:					
General funds	22	10,583,983	11,383,320	10,583,983	11,383,320
Non-Charitable Trading Reserve	22	21,523	181,856	-	-
		10,605,506	11,565,176	10,583,983	11,383,320
Restricted funds	22	7,547,581	5,847,081	7,547,581	5,847,081
Total funds		<u>18,153,087</u>	<u>17,412,257</u>	<u>18,131,564</u>	<u>17,230,401</u>

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £901,163 (2025: net deficit £433,609).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 58 to 99 were approved by the members of the Board of Trustees on 01/10/26 and signed and authorised for issue on their behalf by:


S P James
Chair


D Reynolds
Treasurer

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026**

	2026	2026	2025	2025
	£	£	£	£
Cash flows from operation activities:				
Net cash provided by operating activities		652,825		116,790
Cash flows from investing activities:				
Dividend, interest and rents from investments received	70,975		181,752	
Proceeds from sale of tangible fixed assets	6,450		-	
Purchase of tangible fixed assets	(2,511,861)		(1,825,797)	
Proceeds of sale of investments	1,606,713		316,466	
Purchase of investments	<u>(1,565,374)</u>		<u>(300,771)</u>	
Net cash used in investing activities		(2,393,097)		(1,628,350)
Decrease in cash held in portfolio		<u>(20,805)</u>		<u>(8,251)</u>
Decrease		<u><u>(1,761,077)</u></u>		<u><u>(1,519,811)</u></u>

Reconciliation of net income to net cash flow from operating activities

	2026	2025
	£	£
Net (outgoing) / incoming resources	689,698	(568,799)
Depreciation	533,577	440,985
Investment income	(70,975)	(181,752)
Loss on disposal of Fixed Assets	3,258	1,641
Decrease / (increase) in stocks	17,183	(31,268)
(Increase) / decrease in debtors	(1,121,917)	291,221
Increase in creditors	<u>602,001</u>	<u>164,762</u>
	<u>652,825</u>	<u>116,790</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026 (continued)**

**Reconciliation of net cash flow to movement
in net funds**

	2026	2025
	£	£
Decrease in cash in the year	(756,684)	633,930
Cash from increase in liquid resources (short term deposits movement)	<u>(1,004,393)</u>	<u>(2,153,741)</u>
Movement in net funds in the year	(1,761,077)	(1,519,811)
Net funds at 1 April	<u>4,478,849</u>	<u>5,998,660</u>
Net funds at 31 March	<u>2,717,772</u>	<u>4,478,849</u>

Analysis of net funds	Opening net funds 01/04/25	Cash Flow	Closing net funds 31/03/26
	£	£	£
Cash at bank and in hand	3,474,456	(756,684)	2,717,772
Short term deposits	<u>1,004,393</u>	<u>(1,004,393)</u>	<u>0</u>
	<u>4,478,849</u>	<u>(1,761,077)</u>	<u>2,717,772</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of accounting

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These 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)), and the Companies Act 2006. The financial statements have been prepared in pounds sterling and are rounded to the nearest £1.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose related party transactions or balances with the subsidiary.

No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. The financial position of the charity and group is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan, which includes an Income and Expenditure Statement and a cashflow forecast to March 2028 and have reviewed the organisation's resources. As such, we have an expectation that the charity and group has adequate reserves and working capital to continue its operations for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Reduced Disclosures

In accordance with FRS 102, the charity has taken advantage of the exemption from the following disclosure requirements for parent charity information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cashflow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

(b) Hospice status

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

(c) Fund accounting

General funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Hospice.

Also within unrestricted funds, the non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Limited.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Board of Trustees for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

(d) Goods for resale

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

(e) Legacies receivable

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, probate has been granted, and the amount receivable can be defined with reasonable accuracy.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(f) Deferred income

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

(g) Donated income

Donations which are freely given (rather than as consideration for a benefit or service) are recognised on receipt.

(h) Lottery income

Lottery subscriptions are recognised as income once the applicable draw has been made. Upfront lottery payments made in advance are classified as deferred income until the relevant lottery is drawn, at which point they are released and recognised as income.

(i) Gifts in kind

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

(j) Grants receivable

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, probable and measurable criteria are met.

(k) Public Sector Contract income

Contract income (mainly from NHS and local authorities) for the supply of services is classified as unrestricted income and is recognised in line with the delivery of the contracted service.

(l) Resources expended

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

(m) Pension costs

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This 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.

Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for the year under both schemes are charged to the Statement of Financial Activities.

(n) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

(o) Operating leases

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

(p) Irrecoverable VAT

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (l) above.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(q) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. From April 2026 assets with a cost of more than £1,000 are capitalised (prior to this date, £500). Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	- 2% straight line
Short lease premises	- Spread over the term of the lease
Motor vehicles	- 25% straight line
Fixtures, fittings and equipment	- 10%-25% straight line

Capital work in progress is not depreciated. No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

(r) Investments

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities. Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

(s) Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

(t) Liquid Resources

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.

(u) Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (continued)

All of the charities financial assets and financial liabilities qualify as basic financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets: Trade and other debtors

Trade, group and other debtors, including accrued income, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities: Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

(v) Critical accounting estimates and areas of judgement

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.

Critical areas of judgement

Legacy recognition - legacies are recognised on a case by case basis after confirming that probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.

Useful economic lives of fixed assets – We have an established policy for estimating the useful economic lives of fixed assets. The policy is based on management's judgement of what is reasonable for each category of asset, taking into account its expected use, condition and period over which it is anticipated to provide economic benefit to the charity.

Valuation of property – During the year, the charity was fortunate to receive the donation of a property. The valuation of the property involved judgement and was informed by advice received from a local estate agent with knowledge of the area and current market conditions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2026	Total 2025
	£	£	£	£
Donations	2,155,735	980,371	3,136,106	2,408,030
Legacies	<u>3,405,839</u>	<u>-</u>	<u>3,405,839</u>	<u>2,785,105</u>
Total	<u>5,561,574</u>	<u>980,371</u>	<u>6,541,945</u>	<u>5,193,135</u>
2025 Total	<u>4,673,725</u>	<u>519,410</u>	<u>5,193,135</u>	

Included with restricted fund donations is the transfer of a property in August 2025 from Gosforth and District Peter Pan Society, valued at £600k. This property was sold by St Oswald's Hospice Limited in May 2026, for £600k. The funds are restricted to our Young Adults' Service, and have been used towards the construction of the new Young Adults accommodation.

We have an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is over 900 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2026	Total 2025
	£	£	£	£
Special events	572,378	-	572,378	621,383
Sale of donated goods	4,106,105	-	4,106,105	3,908,429
Sale of new goods	235	-	235	-
Catering sales	40,675	-	40,675	32,913
Trading subsidiary income (Note 4)	993,121	-	993,121	1,101,412
Gain on disposal of fixed asset	<u>6,450</u>	<u>-</u>	<u>6,450</u>	<u>-</u>
Total	<u>5,718,964</u>	<u>-</u>	<u>5,718,964</u>	<u>5,664,137</u>

The income from Other Trading Activities all relates to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	Total 2026 £	Total 2025 £
Turnover	1,078,823	1,101,412
Cost of sales	(482,480)	(311,450)
Gross profit	596,343	789,962
Administrative expenses	(187,101)	(174,914)
Operating profit	409,242	615,048
Interest receivable	-	-
Profit on ordinary activities	409,242	615,048

The net assets of the subsidiary at 31 March 2026 amounted to £21,525 (2025: £96,157).

A prior period adjustment has been processed in the subsidiary financial statements to correct lottery deferred income. The impact of this adjustment is not material to the Group financial statements and therefore no adjustment has been made on consolidation. The prior period adjustment does not impact the closing position of the consolidated balance sheet.

5. INVESTMENTS

	Total 2026 £	Total 2025 £
Dividends received	50,925	50,160
Interest received - charity	20,050	131,592
	70,975	181,752

Dividends receivable arise from the fixed asset investment portfolio.

The income from investments in 2026 and 2025 all related to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2026	Total 2025
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	2,096,862	1,055,528	3,152,390	2,107,652
Adult day care services	2,078,385	-	2,078,385	2,188,277
Children & young adults' services	1,630,355	465,000	2,095,355	2,100,056
Children's outreach service	98,148	-	98,148	79,152
Educational activities	2,982	-	2,982	12,512
Other professional income	81,541	-	81,541	38,739
Total	5,988,273	1,520,528	7,508,801	6,526,388
2025 Total	6,073,388	453,000	6,526,388	

Included in restricted income is a capital grant administered by Hospice UK on behalf of the Department of Health and Social Care of £1,055,528, used predominantly for refurbishment works in Adult Inpatient Unit. Additionally restricted income also includes grant of £465,000 (2025: £453,000) received from NHS England for Children and Young Adults' services.

7. RAISING FUNDS: OTHER TRADING ACTIVITY

	Direct Activity	Restricted funds	Total 2026	Total 2025
	£	£	£	£
Costs relating to donations & legacies	958,701	-	958,701	802,490
Event costs	429,965	-	429,965	590,352
Sale of donated goods	4,471,482	-	4,471,482	4,036,025
Catering and other sales	234,482	-	234,482	197,753
Costs of trading subsidiary (Note 4)	669,581	-	669,581	486,364
Investment management fees	10,881	-	10,881	10,173
Total	6,775,092	-	6,775,092	6,123,157
2025 Total	6,123,157	-	6,123,157	

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2026	Total 2025
	£	£	£	£
Adult Inpatient Services	4,152,004	106,944	4,258,948	4,097,922
Adult Day Care Services	3,362,245	97,302	3,459,547	3,465,459
Children & Young Adults' Services	2,511,832	640,904	3,152,736	3,103,553
Children's Outreach Service	270,011	100	270,111	176,367
Bereavement Centre	217,353	19,039	236,392	288,831
Medical Outreach	60,961	-	60,961	62,975
Strategic Projects	240,061	83,212	323,273	215,414
Educational Activities	243,817	4,612	248,429	251,980
Governance Costs	365,498	-	365,498	348,553
Total	11,423,782	952,113	12,375,895	12,011,054
2025 Total	11,041,626	969,428	12,011,054	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

Net incoming resources before recognised gains and losses are stated after charging:

	Group 2026	Hospice 2026	Group 2025	Hospice 2025
	£	£	£	£
Depreciation	533,577	533,577	440,985	440,985
Auditor remuneration:				
Audit fees	35,000	29,500	33,000	28,000
Tax services	5,600	2,050	1,900	1,900
Internal audit fees	12,358	12,358	10,374	10,374
Operating lease charges (land & buildings)	579,531	579,531	560,655	560,655
Pension costs	853,681	842,908	824,145	813,372
Net loss on disposal fixed assets	3,258	3,258	1,641	1,641

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities. The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources £	Inform'n Systems £	Finance £	Corporate Services £	Total Allocation £
Donations & Legacies	13,040	38,935	26,650	22,903	101,528
Commercial trading activities:					
Event costs	7,526	22,471	15,381	13,218	58,596
Sale of donated goods	71,663	213,971	146,461	125,867	557,962
Catering sales	6,370	19,020	13,019	11,188	49,597
	<u>98,599</u>	<u>294,397</u>	<u>201,511</u>	<u>173,176</u>	<u>767,683</u>
Charitable activities					
Adult inpatient services	38,398	114,650	78,477	67,442	298,967
Adult day services	26,572	79,338	54,306	46,670	206,886
Children's services	43,330	129,375	88,556	76,104	337,365
Children's outreach Service	4,711	14,065	9,627	8,273	36,676
Medical outreach	3,609	10,776	7,376	6,339	28,100
Educational activities	2,742	8,188	5,605	4,817	21,352
Bereavement Centre	3,665	10,942	7,490	6,437	28,534
Strategic projects	4,257	12,711	8,700	7,477	33,145
Governance	4,757	14,203	9,722	8,355	37,037
	<u>132,041</u>	<u>394,248</u>	<u>269,859</u>	<u>231,914</u>	<u>1,028,062</u>
Total allocated support costs	<u>230,640</u>	<u>688,645</u>	<u>471,370</u>	<u>405,090</u>	<u>1,795,745</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs £	Support Costs (Note 10) £	Deprecia- -tion £	Total 2026 £	Total 2025 £
Voluntary	853,461	101,528	3,712	958,701	802,490
Cost of activities for generating funds:					
Event costs	369,226	58,596	2,143	429,965	590,352
Sale of donated goods	3,781,586	557,962	131,934	4,471,482	4,036,025
Catering and other sales	167,739	49,597	17,146	234,482	197,753
Costs of trading subsidiary (Note 4)	669,581	-	-	669,581	486,364
	4,988,132	666,155	151,223	5,805,510	5,310,494
Investment management fees	10,881	-	-	10,881	10,173
Total cost of activities for generating funds	4,999,013	666,155	151,223	5,816,391	5,320,667
Charitable activities:					
Provision of hospice services:					
Adult inpatient Services	3,811,714	298,967	148,267	4,258,948	4,097,922
Adult day services	3,154,143	206,886	98,518	3,459,547	3,465,459
Children and Young Adults' services	2,699,934	337,365	115,437	3,152,736	3,103,553
Children's Outreach Service	233,435	36,676	0	270,111	176,367
Medical outreach	32,440	28,100	421	60,961	62,975
Educational activities	220,212	21,352	6,865	248,429	251,980
Bereavement Centre	207,129	28,534	729	236,392	288,831
Strategic projects	289,983	33,145	145	323,273	215,414
	10,648,990	991,025	370,382	12,010,397	11,662,501
Governance costs	320,201	37,037	8,260	365,498	348,553
Total	16,821,665	1,795,745	533,577	19,150,987	18,134,211

Governance costs comprise mainly the proportion of the costs of the Hospice Management Team and associated members of staff which relate to governance activities.

12. TRUSTEES

The Trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2025: £nil). The amount of expenses reimbursed to Trustees during the year was £nil (2025: £nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STAFF COSTS - GROUP

	2026	2025
	£	£
Wages and salaries	11,434,085	10,930,440
Social security costs	1,372,734	990,743
Pension costs	948,664	824,145
Redundancy	3,955	-
Staff costs	13,759,438	12,745,328

There were ten employees (2025: ten) whose emoluments amounted to over £60,000. Of these employees, four (2025: four) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2026	2025
	Number	Number
£60,001 - £70,000	4	2
£70,001 - £80,000	2	4
£80,001 - £90,000	-	-
£90,001 - £100,000	2	2
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	2	1

Pension contributions made in respect of those staff classified as higher paid employees were £99,141 (2025: £98,528) in aggregate. Of these staff five were accruing benefits under a defined contribution scheme (2025: five) and five were accruing benefits under a defined benefit scheme (2025: five), no employees received employer pension contributions (2025: none).

	2026	2026	2025	2025
	Number	Whole time equivalent Number	Number	Whole time equivalent Number
Staff breakdown:				
Direct charitable services	213	169	213	169
Support services	45	36	48	38
Management and administration	6	5	6	6
Fundraising and publicity	35	29	29	26
Trading activities (including subsidiary)	94	77	95	79
	393	316	391	318

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STAFF COSTS – GROUP (continued)

Average staff numbers have been stated as full-time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £512,990 (2025: £519,091).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 5 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:

Ms S Edusei

Mr S Gordon

Mrs A Ball

Mrs K MacLaren

Changes in the year:

There were no appointments to or resignations from the Board of Directors of St Oswald's Hospice Promotions in the year.

14. TAXATION

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £nil (2025: £nil) has been accounted for in the results of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TANGIBLE FIXED ASSETS

Group and Hospice	Capital Work in Progress	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equip't £	Total £
Cost						
1 April 2025	1,038,494	11,164,527	1,073,910	185,465	3,497,921	16,960,317
Disposals	-	-	(56,596)	(28,750)	(1,604)	(86,950)
Additions	1,018,514	600,000	207,650	-	685,697	2,511,861
Transfers	(1,697,986)	1,697,986	-	-	-	-
31 March 2026	359,022	13,462,513	1,224,964	156,715	4,182,014	19,385,228
Depreciation						
1 April 2025	-	3,787,408	614,597	118,254	2,510,148	7,030,407
Disposals	-	-	(46,902)	(28,750)	(1,590)	(77,242)
Charge for the year	-	198,862	125,947	29,491	179,277	533,577
31 March 2026	-	3,986,270	693,642	118,995	2,687,835	7,486,742
Net book value:						
31 March 2026	359,022	9,476,243	531,322	37,720	1,494,179	11,898,486
31 March 2025	1,038,494	7,377,119	459,313	67,211	987,773	9,929,910

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

The fixed asset register has been reviewed in the year and assets no longer in use have been reflected as disposals.

Capital work in progress of £359,022 (2025: £1,038,494), as shown in a separate category in the table, is the cost incurred for the refurbishment of the Adult Inpatient Unit, which was ongoing at the end of the financial year.

In 2025 the balance of capital work in progress was the preliminary design and consultancy fees relating to the proposed construction of a purpose-built young adults' accommodation. The construction of the facility was completed in the year and was transferred to the Freehold Land and Buildings category.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. INVESTMENTS HELD AS FIXED ASSETS

	Listed £	Group Unlisted £	Total £	Listed £	Hospice Unlisted £	Total £
Listed investments						
Value at 1 April 2025	1,283,459	-	1,283,459	1,283,459	2	1,283,461
Additions	1,565,374	-	1,565,374	1,565,374	-	1,565,374
Disposals	(1,571,066)	-	(1,571,066)	(1,571,066)	-	(1,571,066)
Net investment gain	51,060	-	51,060	51,060	-	51,060
Value at 31 March 2026	1,328,827	-	1,328,827	1,328,827	2	1,328,829
Real Estate						
Value at 1 April 2025	-	71,530	71,530	-	71,530	71,530
Additions	-	-	-	-	-	-
Disposals	-	(35,647)	(35,647)	-	(35,647)	(35,647)
Net investment gain	-	72	72	-	72	72
Value at 31 March 2026	-	35,955	35,955	-	35,955	35,955
Cash and time deposits held in portfolio:						
At 1 April 2025	20,364	-	20,364	20,364	-	20,364
Movements in cash	20,805	-	20,805	20,805	-	20,805
At 31 March 2026	41,169	-	41,169	41,169	-	41,169
31 March 2026	1,369,996	35,955	1,405,951	1,369,996	35,957	1,405,953
31 March 2025	1,303,823	71,530	1,375,353	1,303,823	71,532	1,375,355

All of the investments are unrestricted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. INVESTMENTS HELD AS FIXED ASSETS (continued)

Distribution of listed investments (market value)

	Group	
	2026	2025
	%	%
UK fixed interest	13.9	13.3
Global equities	70.8	80.0
Alternative investments	8.1	-
Real Estate	2.6	5.2
Cash	4.6	1.5
	100.0	100.0

	Group	
	2026	2025
	£	£
Historical cost of listed investments	1,415,882	1,137,338
Historical cost of real estate	87,202	87,202

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4. The hospice single entity holds a £2 shareholding in the trading subsidiary, St Oswald's Hospice Promotions Limited.

17. DEBTORS

	Group		Hospice	
	2026	2025	2026	2025
	£	£	£	£
Amounts owed by subsidiary undertaking	-	-	6,447	8,633
Trade debtors	781,777	779,639	709,860	772,601
Prepayments	463,111	402,245	461,566	401,615
VAT debtor	145,219	106,328	145,219	107,709
Accrued income	2,504,775	1,482,945	2,500,988	1,481,663
Other debtors	383	2,191	382	2,191
	3,895,265	2,773,348	3,824,462	2,774,412

Accrued income includes legacy income notified but not received at year end of £2,176,125 (2025: £1,401,417). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2026	2025	2026	2025
	£	£	£	£
Trade creditors	582,370	376,241	440,981	370,040
Taxation and social security costs	267,565	230,126	267,565	230,126
Deferred income	386,360	48,709	114,014	48,709
Other creditors	121,382	119,575	121,382	119,575
Accruals	460,385	441,410	454,017	429,070
	1,818,062	1,216,061	1,397,959	1,197,520

The hospice deferred income balance is mainly registration income received from participants of the 2026 Great North Run and the upcoming India trek which will take place later in the year. The group deferred income additionally includes £193k relating to art trail sponsorship income and £81k for future lottery plays. In 2025, deferred income for both entities consisted of 2025 Great north Run entry income and an upfront payment for bereavement services due to be delivered in the next financial year.

The movement in deferred income is as follows:

	Group		Hospice	
	2026	2025	2026	2025
	£	£	£	£
At 1 st April 2025	48,709	115,182	48,709	96,185
Payments received	3,255,666	1,086,122	2,983,320	1,105,119
Income recognised	(2,918,015)	(1,152,595)	(2,918,015)	(1,152,595)
At 31 st March 2026	386,360	48,709	114,014	48,709

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. CONTINGENT LIABILITIES

In the year end 31 March 2021, the Hospice received £500 from a local solicitor's firm which was the distribution of dormant client funds totalling £500 and was recorded as voluntary income. Similarly in the year ended 31 March 2014, the Hospice received £26,972 of dormant client funds, also from another local solicitor's firm. Trustees consider it unlikely that either of the sums noted will be repayable but the Hospice has indemnified the solicitors' firms for the amounts recorded and consequently notes a contingent liability for the same total amount.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	General	Restricted	
At March 2026	Funds	Funds	Total
	£	£	£
Tangible fixed assets	4,523,562	7,374,924	11,898,486
Fixed asset investments	1,405,951	-	1,405,951
Current assets	6,494,055	172,657	6,666,712
Current liabilities	(1,818,062)	-	(1,818,062)
Total net assets	10,605,506	7,547,581	18,153,087

HOSPICE	General	Restricted	
At March 2026	Funds	Funds	Total
	£	£	£
Tangible fixed assets	4,523,562	7,374,924	11,898,486
Fixed asset investments	1,405,953	-	1,405,953
Current assets	6,052,427	172,657	6,225,084
Current liabilities	(1,397,959)	-	(1,397,959)
Total net assets	10,583,983	7,547,581	18,131,564

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets or designated funds. Using this definition, the free reserves of the Charity at 31 March 2026 were £5,780,389 (2025: £6,600,167).

GROUP	General	Restricted	
At March 2025	Funds	Funds	Total
	£	£	£
Tangible fixed assets	4,134,483	5,795,427	9,929,910
Fixed asset investments	1,375,353	-	1,375,353
Current assets	7,271,401	51,654	7,323,055
Current liabilities	(1,216,061)	-	(1,216,061)
Total net assets	11,565,176	5,847,081	17,412,257

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (continued)

HOSPICE At March 2025	General Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	4,134,483	5,795,427	9,929,910
Fixed asset investments	1,375,355	-	1,375,355
Current assets	7,071,002	51,654	7,122,656
Current liabilities	(1,197,520)	-	(1,197,520)
Total net assets	11,383,320	5,847,081	17,230,401

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP

Statement of funds – Group - for the year ended 31st March 2026

	1 April 2025	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2026
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	10,552,795	15,929,549	(17,386,227)	651,306	483,873	51,132	10,282,428
Non-charitable trading reserve	181,856	993,121	(669,581)	-	(483,873)	-	21,523
Designated funds:							
Sundry donations for specific purposes – unrestricted	91,084	417,116	(143,066)	(63,579)	-	-	301,555
Young Adults' Accommodation Fund	510,000	-	-	(510,000)	-	-	-
Hospice Re-wiring Fund	229,441	-	-	(229,441)	-	-	-
Total unrestricted funds	11,565,176	17,339,786	(18,198,874)	(151,714)	-	51,132	10,605,506
Restricted funds:							
Albert Hunt Trust 1	28,066	15,000	(15,887)	-	-	-	27,179
Albert Hunt Trust 2	-	15,000	-	-	-	-	15,000
Albert Hunt Trust 3	-	70,000	(8,000)	-	-	-	62,000
Barbour Foundation 1	86	-	(86)	-	-	-	-
Barbour Foundation 2	8,392	-	(932)	-	-	-	7,460
-Barbour Foundation 3	-	20,000	(20,000)	-	-	-	-
chart	13	1,000	(605)	-	-	-	408
Children's service building fund	1,724,076	-	(79,975)	-	-	-	1,644,101
Children's Kitchen Fund	73,640	-	(8,837)	-	-	-	64,803
Coleman fund	192,585	-	(4,613)	-	-	-	187,972

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2025	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2026
	£	£	£	£	£	£	£
Community Foundation 1	1,000	-	-	-	-	-	1,000
Community Foundation 6	-	1,955	(1,955)	-	-	-	-
Community Foundation 7	-	1,500	(1,500)	-	-	-	-
Daisy Marr	831	-	(165)	-	-	-	666
Day hospice building fund	364,491	-	(16,450)	-	-	-	348,041
Day services building fund	1,334,598	-	(38,097)	-	-	-	1,296,501
EP Robson	271	-	(110)	-	-	-	161
Elsie Davis Trust 1	7,480	11,400	(10,980)	-	-	-	7,900
Elsie David Trust 2	1,000	-	(100)	-	-	-	900
Family Room Upgrade Fund:	154,724	-	(3,451)	-	-	-	151,273
Gosforth and District Peter Pan Society	-	600,000	-	(600,000)	-	-	-
Hadrian Trust	-	1,000	-	-	-	-	1,000
Harrison Foundation 1	20,000	-	(436)	-	-	-	19,564
Harrison Foundation 2	-	14,020	(114)	-	-	-	13,906
Hospice Building fund	531,975	-	(28,642)	-	-	-	503,333
Hospice UK Capital Grant 2024-25	254,624	-	(27,056)	-	-	-	227,568
Hospice UK Capital Grant 2025-26	-	1,055,528	-	-	-	-	1,055,528
Hospice UK 3	-	24,720	-	-	-	-	24,720
Hospice UK 4	-	12,618	(12,618)	-	-	-	-
Hospice UK 5	-	21,094	(21,094)	-	-	-	-
Information centre	47,524	-	(5,078)	-	-	-	42,446
JGW Patterson	12,334	-	(1,495)	-	-	-	10,839
JGW Patterson	6,293	-	(900)	-	-	-	5,393
Kavli Trust	20,263	-	(3,813)	-	-	-	16,450

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2025	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2026
	£	£	£	£	£	£	£
Main Kitchen upgrade	37,796	-	(12,958)	-	-	-	24,838
Mark Benevolent Fund	2,518	-	(364)	-	-	-	2,154
Mel Weir Charitable Trust	1,174	-	(234)	-	-	-	940
Mel Weir Charitable Trust 1	-	5,000	-	-	-	-	5,000
Morrisons Foundation	49,950	-	-	(49,950)	-	-	-
National Emergencies Trust - Community Foundation 2	1,183	-	(200)	-	-	-	983
NEPAC 1	1,125	-	(150)	-	-	-	975
NEPAC 3	554	-	(101)	-	-	-	453
National Lottery Community Fund	-	20,000	(20,000)	-	-	-	-
Newcastle Building Society (via Community Foundation)	977	-	(192)	-	-	-	785
NHS England	-	465,000	(465,000)	-	-	-	-
Northern Cancer Alliance	-	10,000	-	-	-	-	10,000
Nurse Call System (outpatients) fund	3,205	-	(619)	-	-	-	2,586
Prime Fund via Community Foundation	917	-	(697)	-	-	-	220
Proctor and Gamble 1	712	-	(171)	-	-	-	541
Rathbones Investment Management	4,095	2,000	(6,095)	-	-	-	-
Ray of Light Trust	11,409	-	(1,292)	-	-	-	10,117
Ray of Light Trust 3	-	18,460	(154)	-	-	-	18,306
Rothley Trust	-	-	-	-	-	-	-
-Seahouses and District Cancer Research and Relief fund	1,958	-	(500)	-	-	-	1,458
Shears Foundation	-	30,000	(30,000)	-	-	-	-
Sir Jules Thorn Trust	5,043	-	(991)	-	-	-	4,052
The Grace Trust	-	5,869	(288)	-	-	-	5,581
The Greatham Foundation	-	1,500	(1,500)	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2025	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2026
	£	£	£	£	£	£	£
Squires Foundation	8,341	-	(927)	-	-	-	7,414
Squires Foundation 2	-	14,535	(14,535)	-	-	-	-
The Smith (Haltwhistle and District) Charitable Trust	-	1,100	-	-	-	-	1,100
TSG Foundation	5,636	-	(1,887)	-	-	-	3,749
Tyne Tunnel 2	16,600	-	(3,262)	-	-	-	13,338
WA Handley Trust 1	854	-	(170)	-	-	-	684
WA Handley Trust 2	1,076	-	(434)	-	-	-	642
WA Handley Trust 3	1,370	-	(242)	-	-	-	1,128
WA Handley Trust 4	-	7,600	(7,600)	-	-	-	-
The William Leech Charity 1	-	35,000	(35,000)	-	-	-	-
The William Leech Charity 2	-	20,000	(20,000)	-	-	-	-
Winn Futter Trust	896,322	-	-	(896,322)	-	-	-
Young Adults' Accommodation Fund	-	-	(11,320)	1,697,986	-	-	1,686,666
4Q Cancer	10,000	-	(2,241)	-	-	-	7,759
Total restricted funds	5,847,081	2,500,899	(952,113)	151,714	-	-	7,547,581
Total funds	17,412,257	19,840,685	(19,150,987)	-	-	51,132	18,153,087

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2025

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	10,675,410	15,311,405	(16,442,913)	258,655	660,351	89,887	10,552,795
Non-charitable trading reserve	227,159	1,101,412	(486,364)	-	(660,351)	-	181,856
Designated funds:							
Sundry donations for specific purposes – unrestricted	122,582	180,185	(223,602)	11,919	-	-	91,084
Young Adults' Accommodation Fund	510,000	-	-	-	-	-	510,000
Hospice Re-wiring Fund	500,000	-	(11,904)	(258,655)	-	-	229,441
Total unrestricted funds	12,035,151	16,593,002	(17,164,783)	11,919	-	89,887	11,565,176
Restricted funds:							
Albert Hunt Trust	-	30,000	(1,934)	-	-	-	28,066
Barbour Foundation 1	1,214	-	(1,128)	-	-	-	86
Barbour Foundation 2	-	50,000	(41,608)	-	-	-	8,392
BBC Children in Need 1	3,000	-	(3,000)	-	-	-	-
chART	300	-	(287)	-	-	-	13
Children's service building fund	1,804,051	-	(79,975)	-	-	-	1,724,076
Children's Service Fund	-	15,000	(15,000)	-	-	-	-
Children's Kitchen Fund	82,479	-	(8,839)	-	-	-	73,640
Coleman fund	197,198	-	(4,613)	-	-	-	192,585
Community Foundation 1	379	1000	(379)	-	-	-	1,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
	£	£	£	£	£	£	£
Community Foundation 2	-	1,451	(1,451)	-	-	-	-
Community Foundation 3	-	1,500	(1,500)	-	-	-	-
Community Foundation 4	-	7,500	(7,500)	-	-	-	-
Community Foundation 5	-	1,000	(1,000)	-	-	-	-
Co-op Bank via Hospice UK	-	1,000	(1,000)	-	-	-	-
Daisy Marr	996	-	(165)	-	-	-	831
Day hospice building fund	380,941	-	(16,450)	-	-	-	364,491
Day services building fund	1,372,695	-	(38,097)	-	-	-	1,334,598
EP Robson	381	-	(110)	-	-	-	271
Elizabeth Casson Trust	-	16,037	(16,037)	-	-	-	-
Elsie Davis Trust 1	10,930	11,400	(14,850)	-	-	-	7,480
Elsie David Trust 2	-	1,000	-	-	-	-	1,000
Family Room Upgrade Fund:	158,175	-	(3,451)	-	-	-	154,724
Guyll Leng Trust	1,740	-	(1,740)	-	-	-	-
Hadrian Trust	1,000	-	(1000)	-	-	-	-
Harrison Foundation 1	20,000	-	-	-	-	-	20,000
Hospice Building fund	560,617	-	(28,642)	-	-	-	531,975
Hospice UK 1	-	20,270	(20,270)	-	-	-	-
Hospice UK 2	-	9,996	(9,996)	-	-	-	-
Hospice UK Capital Grant 2024-25	-	258,655	(4,031)	-	-	-	254,624
Information centre	52,602	-	(5,078)	-	-	-	47,524
JGW Patterson 1	13,829	-	(1,495)	-	-	-	12,334
JGW Patterson 2	6,780	-	(487)	-	-	-	6,293

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
	£	£	£	£	£	£	£
Karbon Homes	356	-	(356)	-	-	-	-
Karbon Homes 1	2,836	-	(2,836)	-	-	-	-
Kavli Trust	22,891	-	(2,628)	-	-	-	20,263
Lisa Shaw	-	2,675	(2,675)	-	-	-	-
Main Kitchen upgrade	50,754	-	(12,958)	-	-	-	37,796
Mark Benevolent Fund	2,882	-	(364)	-	-	-	2,518
Mel Weir Charitable Trust	1,408	-	(234)	-	-	-	1,174
Mel Weir Charitable Trust 1	-	5000	(5,000)	-	-	-	-
Morrisons Foundation	49,950	-	-	-	-	-	49,950
National Emergencies Trust - Community Foundation 2	1,383	-	(200)	-	-	-	1,183
NEPAC 1	1,275	-	(150)	-	-	-	1,125
NEPAC 3	655	-	(101)	-	-	-	554
NHS England CYP Palliative and End of Life Care Match Fund	26,576	-	(26,576)	-	-	-	-
Newcastle Building Society (via Community Foundation)	1,169	-	(192)	-	-	-	977
NHS England	-	453,000	(453,000)	-	-	-	-
OSM Province	63	-	(63)	-	-	-	-
Prime Fund via Community Foundation	2,112	-	(1,195)	-	-	-	917
Proctor and Gamble 1	883	-	(171)	-	-	-	712
Kans and Kandy	5,000	-	(5,000)	-	-	-	-
Rathbones Investment Management	5,086	2,000	(2,991)	-	-	-	4,095
Ray of Light Trust	12,701	-	(1,292)	-	-	-	11,409
Ray of Light Trust 2	-	4,129	(4,129)	-	-	-	-
Rothley Trust	1,200	-	-	(1,200)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
	£	£	£	£	£	£	£
Rothley Trust	850	-	-	(850)	-	-	-
Seahouses and District Cancer Research and Relief fund	2,458	-	(500)	-	-	-	1,958
Southampton Hospital Charity	38,076	-	(38,076)	-	-	-	-
Squires Foundation	19,137	-	(927)	(9,869)	-	-	8,341
Sir Jules Thorn Trust	6,034	-	(991)	-	-	-	5,043
The Shears Foundation	-	30,000	(30,000)	-	-	-	-
TSG Foundation	7,523	-	(1,887)	-	-	-	5,636
Together for Short lives 1	1,362	-	(1,362)	-	-	-	-
Together for Short lives 2	-	1,000	(1,000)	-	-	-	-
Together for Short lives 3	-	1,197	(1,197)	-	-	-	-
Tyne Tunnel 2	17,800	-	(1,200)	-	-	-	16,600
WA Handley Trust 1	1,024	-	(170)	-	-	-	854
WA Handley Trust 2	1,510	-	(434)	-	-	-	1,076
WA Handley Trust 3	1,612	-	(242)	-	-	-	1,370
WA Handley Trust 4	-	2,600	(2,600)	-	-	-	-
The William Leech Charity 1	-	35,000	(35,000)	-	-	-	-
Winn Futter Trust	896,322	-	-	-	-	-	896,322
Nurse Call System (outpatients) fund	3,823	-	(618)	-	-	-	3,205
4Q Cancer	-	10,000	-	-	-	-	10,000
Total restricted funds	5,856,018	972,410	(969,428)	(11,919)	-	-	5,847,081
Total funds	17,891,169	17,565,412	(18,134,211)	-	-	89,887	17,412,257

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds

Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown, and the transfer represents the amount of profit passed to the parent company by Gift Aid.

Designated funds

The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated. At the year-end designated funds were held for the fit out of the new Young Adults' Accommodation, and funding for music therapy and an infection control nurse.

Transfers between funds

Previously designated funds totalling £803,020 were transferred back into the general fund during the year; these funds had been set aside for capital projects including the Young Adults' accommodation and the rewiring project; in both cases external grant funding was identified and the designated funds were not required.

Within restricted income transfers were made between funds, as individual grants earmarked to fund the construction of the Young Adults' accommodation was aggregated into one single asset fund, against which depreciation of the building will be charged, in future years.

Finally, a total of £88k was transferred from the general fund to account for the shortfall required for the Young Adults' accommodation fund, which partly offsets the transfer in the table above.

Restricted Funds

Albert Hunt Trust 1

This donation was used towards the funding of a Dietician post.

Albert Hunt Trust 2

Funding towards spiritual care staff costs.

Albert Hunt Trust 3

This donation covers the cost of the Regional Data Alignment Initiative project.

Barbour Foundation 1

This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit (expenditure relates to depreciation of the asset).

Barbour Foundation 2

This donation was used to fund a nurse salary and purchase clinical equipment (expenditure in 2025-26 relates to depreciation of the equipment purchased).

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Barbour Foundation 3

This is contribution spiritual care staff salary costs.

BBC Children in Need 1 (2025 only)

The grant is funding towards a music therapist in the Children and Young Adult's service.

chART

Funding for children's arts and crafts.

Children's Services Building Fund

This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

Children's Service Fund (2025 only)

This fund was established to ring-fenced donations restricted to the Children's Service.

Children's Kitchen Fund

This represents the aggregated monies raised for the improvements to Children and Young Adults' Service kitchen into new kitchen fund. Expenditure in the year is depreciation of the kitchen.

Coleman Fund

This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre. Expenditure is the depreciation of the Coleman Education Centre.

Community Foundation 1

This donation is earmarked for the purchase craft and baking supplies for our Children and Young Adults.

Community Foundation 2 (2024-25 only)

This donation was used to support Hydrotherapy sessions for our Children and Young Adults

Community Foundation 3 (2024-25 only)

This donation was used towards the provision of surfing sessions for our Children and Young Adults

Community Foundation 4 (2024-25 only)

This donation was used towards Bereavement service salaries.

Community Foundation 5 (2024-25 only)

This donation was used for the purchase of memory boxes

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Community Foundation 6

Funding for sibling activity days.

Community Foundation 7

Funding of activities in our bereavement service.

Co-op Bank via Hospice UK (2025 only)

This donation was used to help those in the hospice celebrate Christmas

Daisy Marr

This donation was used to purchase two 'pea pod' chairs for our Children's Unit (expenditure in the year is the depreciation of the chairs).

Day Hospice Building Fund

This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Day Services Building Fund

This fund was established to cover the cost of the construction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

EP Robson

This donation was used to purchase a sofa for Children's garden room (expenditure in the year is the depreciation of this asset).

Elizabeth Casson Trust (2025 only)

The donation funds a research salary

Elsie Davis Trust 1

This donation funds a weekly 'Clown doctors' session which is delivered by Tin Arts.

Elsie Davis Trust 2

This donation funds resources for our Children's service

Family Room Upgrade Fund

This project fund was set up to upgrade our family room in the adult inpatient unit. Expenditure in year is the depreciation of the new family room.

Gosforth and District Peter Pan Society

The society very generously donated a property in the Gosforth Area of Newcastle, which was in the process of being sold at the balance sheet date. Our Young Adults' Service aligns with the objectives of the society, and so the funds were has been transferred the Young Adult's Accommodation fund, to benefit our Young Adults' service users.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Guyll Leng Charitable Trust (2025 only)

This donation was used to fund activities for our Young Adults.

Hadrian Trust

This donation was is to be used for patient activities.

Harrison Foundation 1

This donation is to be used towards fixtures and fittings (including a specialist bath) for the new Young Adults Accommodation.

Harrison Foundation 2

This fund has been used to purchase beds for the new Young Adults' Accommodation.

Hospice Building Fund

This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Hospice UK Capital grant 2024-25

This is a Department of Health capital grant which is being administered by Hospice UK. It was used to fund the phase one of the rewiring project in the oldest part of the hospice.

Hospice UK Capital grant 2025-26

This is a Department of Health capital grant which is being administered by Hospice UK. It has been used to fund wide-ranging renovation works across the hospice estate.

Hospice UK 1 (2025 only)

This funding supports underserved areas of our community by funding the salary of our Spiritual Care and Projects Lead.

Hospice UK 2 (2025 only)

This funding supports the salary of our Community Projects Lead to support those in prison.

Hospice UK 3

Funding for a transition project in our Young Adults' Service

Hospice UK 4

This grant funded a project delivering bereavement support training at HMP Northumberland.

Hospice UK 5

A project to research progressive neurological conditions by our occupational therapist was funded by this grant.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Information Centre

This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

JGW Patterson 1

This donation was used to purchase a cuddle bed (expenditure in the year is depreciation of the asset).

JGW Patterson 2

This donation will be used to purchase two new rise and recline chairs (expenditure in the year is depreciation of the assets).

Karbon Homes (2025 only)

This donation was used to fund craft supplies

Karbon Homes (2025 only)

This donation was used to fund a 'silver rings' project for patients.

Kavli Trust

This donation was used to purchase outdoor play equipment for the Children's Service (expenditure in the year is depreciation of the assets).

Lisa Shaw (2025 only)

This donation was used to fund children's bereavement support sessions.

Main Kitchen Upgrade Fund

The donations to this fund were used towards the cost of improving of our catering facilities. Expenditure in the year is depreciation of the kitchen

Mark Benevolent Fund

This donation was made for the purchase of kitchen equipment (expenditure in the year is depreciation of the equipment).

Mel Weir Charitable Trust

This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit (expenditure in the year is depreciation of the washing machine).

Mel Weir Charitable Trust 1

This donation is funding towards the cost of a dietician to work within the Adult Inpatient Unit.

Morrisons Foundation

This donation is funding for the new Young Adults Accommodation; it has been transferred to the aggregated Young Adults' Accommodation Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

National Emergencies Trust (via Community Foundation) 2

This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit (expenditure in the year is depreciation of the lockers).

NEPAC 1

This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit (expenditure in the year is depreciation of the bath chair).

NEPAC 3

This donation was given towards the cost of clinical equipment for our Day Hospice unit.

National Lottery Community Fund

This donation has funded our Compassionate Companions project.

NHS England CYP Palliative and End of Life Care Match Fund (2025 only)

This money was used to match funding for development of new children's outreach service (with Southampton Hospital Charity).

Newcastle Building Society (via Community Foundation)

This donation was used for the purchase of clinical equipment (expenditure in the year is depreciation of the equipment).

NHS England

Funding received specifically to meet the needs of the Children's Service.

Northern Cancer Alliance

This donation is ring-fenced to support our complementary therapy team.

Nurse Call System in Outpatients Fund

These monies were donated towards the cost of a new nurse call system.

OSM Province (2025 only)

This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)

This money was donated for the purchase of IT equipment for our Focus on Living Service (expenditure in the year is depreciation of the equipment).

Proctor and Gamble 1

This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit (expenditure in the year is depreciation of the facility).

Kans and Kandy (2025 only)

This donation funded sensory equipment for the Children's Unit.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Rathbones Investment Management

This donation was used to fund activities for our Children and Young Adults.

Ray of Light Trust

This donation contributed to the Good Night's Sleep Appeal

Ray of Light Trust 2

This money was used to purchase specialist seating for the Children's Unit

Ray of Light Trust 3

The refurbishment of the children's calming room was funded by this donation (expenditure in the year is the depreciation of the refurbishment).

Rothley Trust (2025 only)

This donation contributed to the Good Night's Sleep Appeal

Rothley Trust 1 (2025 only)

This donation contributed to the Good Night's Sleep Appeal

Seahouses and District Cancer Research and Relief Fund

This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit (expenditure in the year is depreciation of this equipment).

Sir Jules Thorn Trust

This donation was used to purchase two 'hi/lo' beds for the Adult Inpatient Unit.

Squires Foundation 1

This donation was used to purchase new syringe drivers and 3 new beds (expenditure in the year is depreciation of these items).

Squires Foundation 2

This donation funded our music therapy provision in our adults' service.

The Grace Trust

This donation funded the purchase of a specialist chair for our Children's Service (expenditure in the year is depreciation of the chair).

The Greatham Foundation

This donation was used in the development of bereavement support groups in the NE4/NE6 area.

Southampton Hospital Charity (2025 only)

This donation was used to fund the Children's Outreach Service (with NHS England CYP Palliative and End of Life Care) and for improvements to Children and Young Adults Service kitchen, transferred into a new kitchen fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

The Shears Foundation

This donation was used to help fund running costs in our Children's & Young Adults Service.

The Smith (Haltwhistle and District) Charitable Trust

Activities on our adult inpatient unit were funded by this donation.

Together for Short Lives 1 (2025 only)

This donation was used to fund a Family Fun Day.

Together for Short Lives 2 (2025 only)

This donation was used to fund a trip to London

Together for Short Lives 3 (2025 only)

This donation was used to fund a trip to the Carabao Cup Final 2025

TSG Foundation

This donation was used towards the purchase of IT equipment for our shops (expenditure in the year depreciation of this equipment).

Tyne Tunnel 2

This donation was used to purchase rise recline chairs (expenditure in the year is depreciation of the chairs).

WA Handley Trust 1

This donation was used to purchase an Oska mattress (expenditure in the year depreciation of the mattress).

WA Handley Trust 2

This donation was used to purchase a powered bath chair (expenditure in the year depreciation of the bath chair).

WA Handley Trust 3

This donation was used to purchase an infusion pump (expenditure in the year depreciation of the pump).

WA Handley Trust 4

This donation was used towards the funding of a Dietician post.

The William Leech Charity 1

This donation is helping us to develop our volunteer services.

The William Leech Charity 2

This donation is funding for our Compassionate Companions project.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Winn Futter Trust

This donation is to be used towards the funding for the new Young Adults Accommodation. This was transferred to the aggregated Young Adults Accommodation Fund in the year.

Young Adults' Accommodation Fund

This fund aggregates all the donations in support of the construction and fit out of our new two-bedroom accommodation for young adults.

4Q Cancer

This donation is to create a quiet area for patients and families in the Adult Inpatient Unit (expenditure in the year is depreciation of the asset).

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2026 relate to short leasehold land and buildings as set out below:

	2026 £	2025 £
Operating leases that expire:		
Within one year	483,116	352,886
Within two to five years	863,301	640,786
Over five years	-	1,353
	<u>1,346,417</u>	<u>995,025</u>

The operating leases represent leases of premises. The leases are of varying terms.

24. CAPITAL COMMITMENTS

Capital commitments outstanding at the end of the year totalled £243,181 (2025: £939,087), being the balance due for the completion of the refurbishment of the adult inpatient unit. In 2025 the balance related to the construction of new young adults' accommodation and the rewiring of the original hospice buildings.

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions totalling £47,553 (2025: £47,705) were payable to the fund at the balance sheet date.

The charity also makes contribution to the NHS Pension Scheme on behalf of existing members who remain in the scheme upon commencement of employment with the hospice. Contributions totalling £76,912 (2025: £72,900) were payable to the scheme at the balance sheet date.

26. POST BALANCE SHEET EVENTS

During the year, the Hospice received the generous donation of a property from a local charity, the Peter Pan Society. On transfer of the property, income of £600k was recognised and the asset was included within fixed asset additions in note 15. The property was assigned a useful economic life of 50 years and depreciation was charged on that basis.

In May 2026, the property was sold for £600k. At the date of disposal, the property had a net book value of £590k, resulting in a profit on disposal of £10k.



**St Oswald's
Hospice**

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