St Raphael's Hospice

Annual Report and Financial Statements
For the year ended 31st March 2026

Company Limited by Guarantee

Company Registration Number; 11732567 (England and Wales)

Charity Registration Number: 1182636

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Reference and administrative details of the Charity and its Trustees

Company registration number	11732567
Charity registration number	1182636
Registered office	St Raphael's Hospice, London Road, Cheam, SM3 9DX
Telephone	020 8099 7777
Email	enquiries@straphaels.org.uk
Website	www.straphaels.org.uk
Auditor	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Principal bankers	National Westminster Bank plc, 93 Central Road Worcester Park, Surrey, KT4 8DZ
Investment Managers	Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU
Committees	Clinical Quality and Governance Committee (CQ&G) Finance and Resources Committee (F&R) Income Generation and Communications Committee (IGC) Human Resources Committee (HR)

Joint Chair and CEO Report

The year ended 31 March 2026 was one of continued progress and greater stability for the Hospice. While funding pressures remained a significant challenge, our commitment to delivering high-quality specialist palliative and end-of-life care to our community never wavered. Throughout the year, we strengthened our collaboration with neighbouring hospices across South West London, working collectively to ensure a strong and unified voice with our Integrated Care Board (ICB) colleagues. This partnership approach has enabled us to advocate more effectively for hospice care and explore opportunities to work together to meet the needs of those requiring our support across the region.

Our impact extends far beyond inpatient care. Across all hospice services, we supported an average caseload of approximately 240 patients each week during 2025/26. Our Inpatient Unit maintained an average occupancy rate of 82.6%, demonstrating continued demand for specialist hospice care in the hospice itself. Through our Wellbeing Service, which is available to adults living with a life-limiting illness, caring for someone with a life-limiting illness, or experiencing bereavement, we provide holistic support that helps people live as well as possible for as long as possible. Our Wellbeing and Complementary Therapy services recorded 4,140 attendances during the year, operating at an estimated 87% of available capacity.

Alongside delivering care, we have continued to strengthen and develop our clinical services. We increased the number of non-medical prescribers within the organisation and expanded counselling student placements and supervision opportunities. Inpatient Unit staff participated in co-design workshops to help shape future service delivery, while increased joint working between the Inpatient Unit and Community Specialist Palliative Care Team improved integration and continuity of care. We introduced a new Clinical Fellow role, providing additional medical support and continuity within the Inpatient Unit, and began hosting a Clinical Digital Educator role to strengthen links between care homes and hospice services, support digital innovation and help reduce avoidable hospital admissions through earlier intervention and enhanced clinical support.

Education remains an important part of our contribution to the wider health and care system. During the year, we delivered 36 education and training sessions and workshops, engaging 310 participants. This included mandatory and statutory training for hospice staff, clinical skills development, medicines management training and annual prescribing updates. We also shared our expertise with a wide range of external professionals, including university undergraduate and postgraduate students, prison healthcare teams and care home staff, helping to improve knowledge, confidence and the delivery of high-quality end-of-life care across our communities.

Our commitment to supporting the wider community remained strong. Through our Compassionate Neighbours programme, volunteers undertook 1,716 visits, complemented by a further 30 staff visits, helping to reduce isolation and improve wellbeing for those affected by serious illness and bereavement. We responded to growing demand from younger people affected by complex illness through after-school sessions and school visits. Our wellbeing programme celebrated the diversity of our communities through activities linked to Eid, Lunar New Year, Rosh Hashanah, Passover, Diwali and Black History Month, while our outreach work included engagement with local community groups and presentations to GP Patient Participation Groups, helping to increase awareness of hospice services and support available.

We have also continued to contribute to learning, innovation and best practice across the hospice sector. Colleagues presented at the Hospice UK Conference, sharing lessons learned from managing a significant cyber incident and supporting organisational resilience. We also presented a poster highlighting our work with people in prison who are living with a terminal illness, as well as the support provided to prison staff caring for them. Our expertise was further recognised through articles published in eHospice, showcasing the value of complementary therapies in supporting patients, families, those who are bereaved and hospice staff.

Together, these activities demonstrate the breadth of our impact, the value we bring to our local community and healthcare partners, and our ongoing commitment to delivering high-quality, compassionate and innovative hospice care.

During the year, St Raphael's Hospice received significant regional and national media coverage, helping to raise awareness of the vital role hospices play within the healthcare system and the challenges posed by insufficient statutory funding. The Hospice was featured across a range of high-profile broadcast and print media, including BBC Newsnight, Channel 5 News, BBC Politics London, the New Statesman and the Daily Express, where the issue of hospice funding was highlighted on the front page. These opportunities enabled us to share the experiences of our patients, families, staff and volunteers, while demonstrating the essential care and support provided by the Hospice to our local community.

The increased profile generated important public discussion about the sustainability of hospice funding and the growing pressures facing the sector. It also helped strengthen engagement with policymakers, with local Members of Parliament raising hospice funding and the specific challenges facing St Raphael's Hospice in Parliamentary discussions. Through this coverage, we have continued to position St Raphael's Hospice as a trusted voice within the hospice sector, advocating for fair and sustainable funding while increasing awareness of the need for community support to ensure hospice care remains available for future generations.

Norman McWhinney, Chair　　　　Becca Trower, CEO

The Trustees, who are also the directors of the charitable company for the purposes of company law, present their report and the financial statements of St Raphael's Hospice for the year ended 31 March 2026. This constitutes the Strategic Report for the purposes of company law.

The financial statements are presented in accordance with the accounting policies set out on pages 19 to 22 therein and comply with the Memorandum and Articles of Association of St Raphael's Hospice and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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).

Achievements for the year

In our report for last year there were three major strands to the plan for 2025-26:

1. Develop and Publish the Strategy for 2025-27 and beyond
2. Refresh our Brand and renew our Website
3. Upgrade our Hospice Facilities under the Government Capital Grant Scheme
4. Bring Lottery development under our in-house Fundraising team

1. Develop and Publish the Strategy for 2025-27 and beyond

We successfully developed and launched our Strategy for 2025–27, creating a clear framework to guide the hospice's future direction and priorities.

• Engaged staff and volunteers throughout the strategy development process, ensuring the strategy reflected their insights, experience and aspirations for the hospice.

• Introduced a supporting management plan to translate the strategy into actionable objectives, measures and accountability across the organisation.

• Reviewed and refreshed our organisational values to ensure they are meaningful, reflect the behaviours we expect, and support our future culture and ambitions. This work has established a foundation for further development and embedding.

• Explored the key opportunities and challenges facing the hospice and used stakeholder feedback to shape our strategic objectives and priorities.

• Developed clear and pragmatic strategic aims that balance ambition with deliverability and long-term sustainability.

• Identified and established the four strategic pillars of Our Care, Our People, Our Community and Our Funding as the foundation of the strategy.

• Our retail team focussed on cost control and income growth whilst pausing the plans for growing the number of shops. This yielded a 15% increase in income with a 4% reduction in costs. Having achieved a strong contribution towards the cost of running the charity we will resume the plans to grow the estate.

2. Refresh our Brand and renew our Website

We successfully refreshed our brand and launched a new website, strengthening our digital presence, improving user experience and enhancing engagement with our communities.

• Reviewed and updated our brand identity, including refreshing our colour palette to create a more contemporary and consistent look and feel.

• Delivered the website redevelopment project on time and within budget, with the new site launched on 3 March 2026 and fully funded through Government Capital Funding.

• Reduced ongoing hosting and support costs while increasing our control over website content, layout and branding.

• Introduced new functionality, including online referrals, integrated donations, department contact forms, in-memory tributes and dedicated campaign pages.

• Improved accessibility, user experience and content quality through translation tools, enhanced publication formats and professional copywriting across key sections.

• Strengthened our fundraising and marketing capability through an enhanced fundraising area, integrated analytics and improved digital performance tracking.

3. Upgrade our Hospice Facilities under the Government Capital Grant Scheme

We successfully delivered a range of capital improvements that enhanced patient experience, improved staff facilities and strengthened the overall functionality, accessibility and environment of the hospice.

Achievements for the year, continued

• Created a new Multi-Faith Space for patients, families, staff and volunteers, complementing the existing Chapel and Reflective Space with the Book of Remembrance.

• Upgraded the Clean Supply Room to current audit and security standards, including improved access to digital pharmacological guidance.

• Refreshed staff changing facilities and improved the functionality of patient rooms to better support care delivery.

• Enhanced garden spaces to support wider use, including a new pathway, hardstanding area for events and improved wheelchair accessibility.

• Installed air conditioning in patient rooms, clinical and office areas and invested in new IT and digital technology equipment to improve working environments and operational efficiency.

4. Bring Lottery development under our in-house Fundraising team

We have made strong progress towards strengthening internal ownership and control of our Lottery development, with work focused on compliance, supporter engagement and growth planning, although full transition is still ongoing.

• Strengthened and updated lottery compliance processes to ensure robust governance and regulatory alignment.

• Reviewed the effectiveness and value of in-house canvassing compared with external canvassing models to inform future delivery decisions.

• Contracted and deployed staff to focus on engagement with existing supporters, improving stewardship and retention activity.

• Developed approaches to increase lottery participation through both supporter retention and new player acquisition strategies.

Financial review

Overall the charity had a surplus of £2.13m for the year compared with a surplus of £334k last year.

Total Income rose by 12% to £10.7m (2024-25: 27% to £9.5m). Donation income rose by 25% to £3.6m (2024-25: 74% to £2.9m) while legacies were level at £1.6m (2024-25: level at £1.6m). Commercial income (retail and lottery) grew by 1% to reach £2.4m (2024-25: 14% to £2.37m). Income from NHS funding grew 3% to £2.02m (2024-25: 16% to £1.96m), within this, the core contract was increased by 5% to £1.92m (2024-25: 10% to £1.83m).

The Hospice was also grateful to receive £534k (2024-25: £132k) from the UK Government Hospice Capital Grant Scheme which is administered by Hospice UK. The grant was fully utilised and a breakdown of the capital additions is shown at note 15.

Clinical costs fell 4% to £5.6m (2024-25: level at £5.84m), with savings arising from the 2024 cost reductions being partly offset by increased NIC costs and Agenda for Change pay rises. The fundraising team and costs (part of our Income Generation costs) fell £55k to £914k (2024-25: up £60k to £969k). Lottery costs fell £169k as we ended investment in the campaign to increase players (2024-25: rose £100k). Retail costs, fell £134k to £1.9m compared to the previous year when a £110k one-off provision for dilapidations had been made. The underlying costs fell 1% despite the increases in Er's NIC and the National Minimum wage that impacted this team in particular. Overall total costs were £8.6m which amounts to an 6% reduction over the previous year (2024-25: £9.2m, 4% increase).

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the balance sheet.

The charity’s cash balance at the end of the year amounted to £4.4m (2024-25: £2.0m) of which £1.4m related to the deferred income creditor (2024-25: £1.4m) and £1.5m to a restricted fund (2024-25: Nil). In addition the charity held liquid investments

Reserves

Total funds at 31 March 2026 amounted to £6.7m (2024-25: £4.6m) including designated funds of £1.41m (2023-24: £0.98m). The designated fund is represented by the net book value of tangible fixed assets which are used in the day to day work of the Hospice and amounts set aside for fixed asset acquisitions in the next twelve months, and hence, the fund is not available for working capital commitments.

Free reserves are that element of unrestricted funds which are available for future spending and are therefore calculated by taking the total unrestricted funds of the charity and deducting any balances not available for future spending, including designated funds which have been set aside by the Trustees for a particular purpose, and restricted funds where the donor has specified the use of the fund. The Trustees have decided that the required level of free reserves should be between three- and six-months’ operating expenditure which is between £2.15m and £4.3m.

The free reserves at the end of the year amounted to £3.8m (2024-25: £3.6m) and therefore the Trustees are happy that this is sufficient for the charity's foreseeable needs.

Investments

The Trustees have an Investment Policy which meets the Charity’s obligations under the Charities SORP FRS102 to ensure an effective system for the investment of cash, the transmitting of timely and reliable cash flow forecasts to the Trustees and ensuring the compliance with relevant statutory and regulatory requirements. The Policy is fully compliant with the requirements set out in ‘CC14: Charities and investment matters: a guide for trustees’ published by the Charity Commission.

The Trustee Board holds overarching oversight of, and accountability for, the charity’s approach to cash management, investment and reserves. The Finance & Resources Committee is responsible for reviewing and monitoring the charity’s cash in hand, cashflow forecasts, approach to investments and related performance on a regular basis. St Raphael’s Hospice employs the services of investment managers, (currently Sarasin & Partners LLP), who provide updates on the performance of St Raphael’s Hospice’s investments and advice on how returns can be achieved in line with the charity’s overarching approach.

In accordance with the constitutional objects of the charity, the Trustees have instructed the investment manager to be sensitive to the ethics and religious principles of the Catholic Church. They are instructed to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity. The investment managers are also encouraged to engage actively with the underlying companies on these issues. Particular concern will be attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society.

Going Concern

The Board and the Finance and Resources Committee regularly review the short- and medium-term financial forecasts and consider various scenarios and assumptions. The overall surplus of £2.13m was after the receipt of £2m in exceptional grants from the DoC. Aside from this, the operating result of £127k surplus represented an improvement of £460k over the budget with both improved income and reduced costs. The DoC has further committed to providing two more tranches of £500k to support the operating costs of the charity for the next two financial years. They have also gifted the land and buildings, valued at £4.28m, further bolstering the balance sheet. Together with the other local hospice leaders, the negotiations with South West London ICB have become more productive with a 10% increase to the core funding agreed for 2026-27 and a recognition that this *rate* of increase will need to grow in order to stabilise the sector. Meanwhile the charity is implementing significant changes in its retail approach and is investing in recruiting regular donors and lottery players, among other plans, to grow the voluntary income sources.

The Trustees, therefore, remain satisfied that the Hospice's financial projections, which indicate a sustainable future, are reasonable and that there are sufficient funds in place to continue operating and to meet liabilities as they fall due for the foreseeable future and that the balance sheet is sufficiently robust to allow the Hospice time to respond effectively if income projections deteriorate significantly.

Plans for 2025-26

1. We will explore the responsible use of artificial intelligence (AI) to support service delivery and improve operational efficiency. This fits under three of our strategic pillars: Our Care, Our People and our Community.

This work will focus on identifying opportunities where digital innovation can enhance processes, while ensuring that any developments complement rather than replace our person-centred and compassionate approach to care.

Key actions will include:

• Undertaking a Quality Improvement project to review and enhance the efficiency of our record-keeping processes.

• Exploring the potential use of AI-supported digital transcription and documentation tools to reduce administrative burden and improve accuracy.

• Holding focus groups with our staff to identify current challenges, opportunities for improvement, and areas where digital solutions may provide additional support.

• Evaluating the impact of any proposed changes to ensure they maintain high standards of patient care, confidentiality, and professional practice.

2. We will focus on strengthening governance and improving efficiency by enhancing our risk, quality, and compliance processes through the development of integrated digital systems.

This will help bring key information together in one place, including contracts, incidents and accidents, regulatory compliance, complaints and compliments, and policy management, supporting clearer oversight and more consistent ways of working across the Hospice.

Plans for 2025-26, continued

Key actions will include:

• Training staff to use the incident reporting system effectively, improving the accuracy, consistency, and timeliness of reporting

• Streamlining how we record, manage, and review incidents, complaints, and compliance information to support better oversight and learning

• Enhancing policy and contract management processes to ensure documents are easier to access, update, and govern consistently

3. We will invest in developing and upskilling our staff to strengthen leadership capability across the organization. This fits under the strategic pillar of Our People.

This will support staff in better understanding their working styles, strengths, and areas for development, and to enhance
Key actions will include:

• Delivering the initial programme to the Executive Team to ensure shared understanding and organisational alignment

• Rolling out a four-day leadership development programme over six months for Heads of Department and Senior Managers

• Extending the programme in Quarter 4 to the next cohort of managers and team leaders across the Hospice

• Supporting participants to reflect on their leadership styles and strengthen their ability to work collaboratively and effectively with others

4. We will further strengthen our relationship with the Integrated Care Board (ICB) and wider system partners, working towards greater recognition as a key partner within the local health and care system. This fits under two of our strategic pillars: Our Community and our Funding.

This will support our shared aim of ensuring timely and equitable access to specialist palliative care and securing fair, sustainable funding for the Hospice's long-term future, while strengthening our role as an active and valued partner in system-wide planning and decision-making and sharing our expertise to improve care for patients and families.

Key actions will include:

• Working collaboratively with ICB and local partners to influence commissioning and service planning

• Establishing a robust contractual arrangement for CHC-funded patients in our inpatient unit beds

• Strengthening engagement with Integrated Neighbourhood Teams and wider system leadership groups to ensure palliative and end of life care are well represented.

5. We will modernise our retail offer to reflect our brand, deepen community engagement with our hospice and its funding model, and maximise retail income through targeted restructuring and remodelling. This fits under our two strategic pillars: Our Community and Our Funding.

This will achieve a stronger and more sustainable retail operation that increases income, enhances customer experience, strengthens our visibility in local communities, and creates greater awareness of the vital role retail plays in funding hospice care.

Key actions will include:

• Working with an external hospice retail consultant to review and strengthen our retail model.

• Assessing all 11 shops to identify strengths, opportunities and priorities for improvement.

• Developing and implementing a retail improvement and remodelling programme aligned to our brand.

• Piloting a "hot-house" approach in three shops to test and evaluate new retail concepts.

• Investing in the development, training and support of retail staff and volunteers.

• Reviewing retail roles and structures to ensure they support future growth and performance.

Structure, governance and management

Constitution

St Raphael's Hospice is a charitable company limited by guarantee (11732567) incorporated on 18 December 2018 in England and Wales. It is registered as a charity with the Charity Commission (1182636). Its governing document is its Memorandum and Articles of Association.

Charitable objects

The object of the charity is the relief of illness and suffering in accordance with the teaching, rites and practices of the Catholic Church, by:

Charitable objects, continued

1. The provision of palliative care, treatment or relief of people of all ages with active, progressive or advanced illness on the basis of need regardless of their religious, cultural or ethnic background;
2. The provision of care and support to those who have experienced loss and bereavement, in particular families, friends and carers;

3. Conducting, promoting or commissioning research into the care, treatment and relief of people suffering from advanced, active and progressive illness and by providing for the dissemination of the results of such research; and
4. The provision of education and training for professionals and volunteers engaged in palliative care.

Public benefit

The Trustees give careful consideration to the Charity Commission's guidance on public benefit when setting the Hospice's aims and objectives and planning activities. St Raphael's Hospice contracts with South West London Clinical Commissioning Groups (SWL CCG) to provide support to people whose GP practice is based within the London Boroughs of Merton and Sutton, a population of around 420,000. We support more than one person out of every four who die each year in these boroughs and access to our services is on the basis of need and open to anyone via referral from a healthcare professional, or, in the case of bereavement support and the new Living Well programme, self-referral. There is no charge to patients or their families for any of our care services. In addition to the direct benefit there is an indirect benefit to all residents who can be reassured that the Hospice will be there for them or for their loved ones, should they ever need it.

Referrals for hospice services are accepted for people with a life limiting condition who are entering the last twelve months of life and who require specialist palliative and end of life care. For instance, they may need help with:

- Symptom control
- Psychological or spiritual issues
- Terminal care
- Difficult decisions, advanced care planning, or conversations about managing end of life care
- Support for family or friends
- Clinical and nursing care provided by the Community team alongside practical and companionship support provided by Hospice at Home or by our volunteer Hospice Neighbours in their home
- Wellbeing and Living well services for patients and other self-referred community members together with their carers

The Hospice supports adults in Merton and Sutton who have been referred to the Hospice and have agreed to that referral. If they do not have the mental capacity to do so we will consider how we can help meet their best interests within the context of legislation such as the Mental Capacity Act, Mental Health Act and Deprivation of Liberty guidance.

Families, carers or those close to a patient accepted for hospice services can be referred or access certain services in their own right, when they are affected by the patient's illness or death. These include bereavement support and counselling, attendance at the Men's Den, Living Well and other sessions held in the Wellbeing Centre.

The Trustees

The Board of Trustees (which constitutes the Board of Directors for the purposes of the Companies Act) comprises a minimum of five and a maximum of twelve Trustees, of whom a majority must be Catholic. They should meet as a Board at least five times per year. The Board is guided in its governance by an independent, qualified Clerk who performs Company Secretarial functions.

The Board delegates powers and responsibilities to the following committees: Clinical Quality and Governance; Finance and Resources; Income Generation and Communications and Human Resources (which is also the Remuneration Committee). Terms of reference define responsibilities and delegated authority and are reviewed regularly by the Board.

The membership of committees is made up of Trustees, independent advisers who are selected for their specialist expertise and senior managers of the charity. Minutes of committee meetings are circulated to the Board and Committee Chairs report to the Board on major issues and decisions.

Environmental, Social and Corporate Governance

There is a framework for Board self-review and skills audit which draws upon the Charity Governance Code for smaller charities and the outcomes of the self-evaluation are used to inform plans for Board and Committee agendas, training opportunities, and further recruitment. There is a formal process for the recruitment of new Trustees and/or Committee Members who are needed to fill skills gaps and vacancies as they arise. External advertising in suitable media is employed with a formal interview process taking place before a candidate is proposed to the Board. A simple majority decision of the Board is required under the constitution in order for an appointment to proceed.

Environmental, Social and Corporate Governance, continued

New Trustees and Committee Members attend an induction evening to be briefed on the charity and meet colleagues and they are provided with Charity Commission guides. They are required to undertake mandatory training on a regular basis using the charity training portal, Duty of Candour and level 2 Safeguarding for Adults training is also available and encouraged with one Trustee required to undertake level 3 Safeguarding in order to serve as the Board's Safeguarding Lead.

The Trustees recognise that St Raphael's Hospice serves the whole, diverse population of Merton and Sutton and are proactive in seeking to represent the whole community effectively. Training in EDI (equality, diversity and inclusion) took place in October 2024 and was open to Trustees and staff whilst a steering group ensures EDI has a platform across the whole organisation. We are engaging at senior level with leaders of different communities and faiths across our geography in order to learn and adjust our services accordingly. We are also developing our Community Engagement service through our Wellbeing Centre and the Compassionate Neighbours programme which is designed to increase our ability to connect with and to serve the whole of our diverse population.

The Trustees are also conscious of our broader responsibility to care for our community by caring for our environment. We were early adopters of professional quality battery operated gardening equipment which reduces noise and fumes for our patients and vibration risks for our team. They are also low maintenance and have lower running costs. In the same vein we have two all-electric vans for our Retail distribution and have a third for our facilities and OT teams (distributing equipment to patients in their homes). We have installed two electric charging points and operate a hybrid pool car for all staff to use on Hospice business. Our recent refresh has upgraded the Hospice lighting to digital technology and we are seeking funding to install additional solar panels to those we already have in order to contribute into the National Grid and save funds over time.

The charity has purchased insurance to protect itself from any loss arising from the neglect or default of its Trustees and Employees and to indemnify the Trustees or other Officers against the consequences of any neglect or default on their part. This forms part of the organisational insurance premium which amounted to £1,962 (2023-24 £1,732) and provides public and employer cover up to a maximum of £10m.

Key Management Personnel

Key management personnel comprise the trustees, and the Executive Team. The Board of Trustees is responsible for the running of the charity and delegates the operational activity to the Executive Team. There have been some changes to the Executive Team structure to ensure it continues to provide effective leadership across the organisation. This team comprises the CEO, Clinical Director, Interim Director of Fundraising and Communications, Director of Operations, Director of People Services, joined for certain meetings by a Consultant Finance Director. Pay is reviewed annually by the Remuneration Committee with salary levels set with regard to similar roles in other local charities, including other hospices, taking into account our scale and complexity. The Medical Director (on rotation) is also a member of the Executive Team, with pay determined in line with the NHS pay formula. We have made adjustments to create a clearer and more cohesive leadership framework, designed to support delivery of our strategy and strengthen the Hospice's resilience for the future.

Limitation of liability

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantors at 31 March 2026 was 8 (2024: 10). The trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Principal risks and uncertainties

The management of risk remains a key priority for the Hospice. Risk assessments are undertaken for every aspect of its operation ranging from clinical risk assessments, which are undertaken on a continual basis, through health and safety assessments for everyday tasks to comprehensive assessments of all aspects of major fundraising events.

Staff continue to be dedicated to the prevention, identification and reporting of incidents, accidents and near misses. The Hospice has an effective feedback infrastructure including governance and clinical management meetings that review the actions and learning points identified in previous incidents to ensure that improvement remains continuous. The reporting system is supported by the electronic patient record which remains a corroborative source for the reporting of patient

The Board of Trustees review the corporate level risk register, prepared by the Executive Team, on a regular basis and each Committee reviews the relevant risk register for that discipline . The principal risks facing the Hospice and the steps being taken to mitigate them are as follows:

Principal risks and uncertainties, continued

Income - insufficient income is raised to deliver our charitable activities: The Hospice needs to raise around 70% of the charitable running costs (Clinical Services and Fundraising) from voluntary sources, with the remaining 30% being granted by the NHS. There is a continual risk that insufficient income is generated to cover this gap and there is a particular reliance on high levels of legacy income which is outside the control of the charity.   *The Trustees and the Executive team have set a target level of operating cash that is designed to enable it to manage the fluctuations of income year on year. It is diversifying its income streams and is pro-active in seeking new ways to raise additional regular income. In addition to this level of reserve, the Hospice also has a deferred income balance of £1.4m (which is represented by cash at bank) which is intended to offset the forecast shortfalls arising over the next three years. The plans to increase income and achieve a sustainable level of regular funding that does not rely upon exceptional legacy levels (which is currently assumed to be annual total legacies in excess of £1.4m) is designed to be actualised by 2027.*
People - inability to recruit and retain specialist staff against a backdrop of an aging staff profile and widespread shortage of qualified staff.   *The Trustees and the Executive team monitor morale, staff benefits, remuneration and engagement through staff surveys, exit interviews, regular Heads of Department meetings and aim for open communication throughout the team. Internal training and development opportunities are designed to maximise work satisfaction and flexibility in working hours is facilitated wherever possible. We aim to ensure that work-life balance is positive, working environment is improving, our patient/staff ratio remains low and all clinical staff receive supervision. We match NHS Agenda for Change salary levels and have improved other terms and conditions. We recognise that the impact of the cost-reduction exercise will have impacted morale and adds to the risks around staff retention and recruitment.*
IT and Data - The Hospice is reliant upon its IT infrastructure, systems, data management and web connectivity in delivering its service. All these systems are at risk of failure or interruption through malicious or accidental intervention, putting patient services and data at risk.   *A robust back-up system is in place with a 2-3 hour turnaround for critical patient information. Our experienced and expert team are supplemented by a 24/7 support service with an expert consultancy that was involved with the installation and configuration of our systems. Risk is spread by the use of multiple servers and a failover power source. Anti-virus & anti-malware software is used on all servers & computers, updated in real-time. Firewalls control unauthorised entry from the internet and web-filtering software prevents users from accessing unsafe websites. Staff are educated to avoid risks from phishing attacks backed up by regular simulations to ensure compliance. Mandatory training includes cyber security for all staff. Our systems are largely held in the cloud which affords additional levels of security. We have embarked on specific disaster recovery planning for the eventuality of a Cyber incident that causes access to be restricted.*

Clinical Quality, Governance and Assurance

The Clinical Quality and Governance Committee provides assurance to the Board of Trustees that the Hospice maintains a robust clinical governance framework to support the delivery of safe, effective, and high-quality care. Chaired by a Trustee, the Committee meets quarterly and oversees the monitoring of clinical performance, risk management, and quality improvement across all clinical services.

Committee members contribute professional expertise and strategic oversight to the Hospice's clinical governance programme. Standing agenda items include evidence of excellent practice, the Clinical Risk Register, Clinical Quality and Governance objectives, clinical developments, audit and effectiveness, policy and practice development, patient and user feedback, organisational and regulatory assurance, infection prevention and control, and clinical complaints. The Committee also receives minutes from key Hospice committees and seeks assurance from relevant senior staff on actions and outcomes.

The Clinical Heads of Department (CHODs) meeting is held every four to six weeks and is chaired by the Clinical Director. Attendees include clinical leads from all clinical services, education, infection prevention and control, and quality and governance. Standing agenda items include the review of clinical incidents, educational initiatives and feedback, current clinical issues, complaints, audits, patient outcomes, and ethical considerations. The meeting supports effective information sharing, timely action planning, and continuous professional development across clinical services.

The Committee receives the minutes of the following Hospice committees and questions the relevant senior staff:

• The Infection Prevention & Control Committee oversees the Hospice's approach to infection prevention and control. Chaired by a Consultant Microbiologist from the local acute Trust, the Committee meets between two and four times each year. Standing agenda items include sharps injuries and bodily fluid exposure, surveillance of alert organisms, water quality management, occupational health updates, and regulatory and best practice requirements. Following the retirement of the

• The Medical Business Meeting supports the Hospice's approach to medical governance and operational matters. Chaired by a Consultant in Palliative Medicine, the meeting is held monthly and attended by all members of the medical team. Standing agenda items include team wellbeing, rota and staffing, clinical challenges, medicines management and budget, infection control, education, incidents, audit and research, and thematic deep dives into key areas of practice.

Clinical Quality, Governance and Assurance, continued

• The Drugs and Therapeutics Committee oversees all aspects of medicines management within the Hospice. Standing agenda items include the safe prescribing and administration of controlled drugs, policy and guideline updates, therapeutic governance and cost monitoring, medication incident review, non-medical prescribing, and MHRA drug and device alerts. Each meeting is attended by an independent pharmacist, who also undertakes fortnightly audits of medicines management practices. Chief Pharmacists from Merton and Sutton Places are invited to attend, or nominate representatives, and routinely receive committee minutes, which are also shared with the Merton and Sutton Medicines Management Committee. To support the safe management of controlled drugs, the Controlled Drugs Accountable Officer attends regional Controlled Drugs Accountable Officer Local Intelligence Network meetings. Incidents involving controlled drugs are reviewed by the Committee and formally reported on a quarterly basis.

• The Prescribers' Meeting is a sub-committee of the Drugs & Therapeutics Committee and serves as the primary forum for discussion, updates, and recommendations relating to prescribing practice within the Hospice. Membership includes both medical and non-medical prescribers and is chaired by a Community Palliative Care Team Locality Lead. The meeting is also attended by external non-medical prescribers to support the sharing of best practice, promote consistency in prescribing, encourage professional discussion, and contribute to continuing professional development.

• The Health and Safety Committee, receives reports from managers across all areas of Hospice activity relating to health and safety matters. The Committee also reviews incidents to support continuous improvement and the ongoing development of good practice.

Care Quality Commission (CQC)

The most recent inspection of the Hospice by the CQC was in November 2019. The subsequent report was published in April 2020. Whilst noting a number of areas of outstanding practice, the report also recommended that the carpet in the IPU be replaced and that the navigation of the electronic notes system be improved. Actions to comply with these recommendations have been taken and the flooring was renewed as part of a wider IPU refresh in late summer 2021. The complete text is available from the CQC website or via the CQC "widget" on the Hospice website's homepage.

We are pleased that the quality of care was recognised as being "Good" in all of the 5 domains of care; namely that our services are safe, effective, caring, responsive to people's needs and well-led.

Complaints

The Hospice takes all complaints and service feedback seriously. Complaints are managed in accordance with the Complaints Policy, fully investigated, and used as an opportunity to maintain high standards and improve practice. All complaints are reported to the CQ&G Committee and escalated to the Board of Trustees as appropriate. Our incident reporting system, Datix, introduced in 2021 and migrated to the cloud in 2024, has provided a transparent and effective process for recording incidents, monitoring actions taken, and reducing the risk of recurrence across the charity. During early 2026, work commenced on transitioning to Vantage, an integrated system that will combine incident reporting, risk assessment, and regulatory compliance management within a single platform.

Employees

St. Raphael's Hospice is committed to being an equal opportunities employer and applies objective criteria in the recruitment, selection, promotion, and development of employees. The Hospice seeks to ensure that no applicant or employee is treated less favourably on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation, or disability.

Selection procedures are regularly reviewed to ensure decisions are based solely on merit and ability. The Hospice is committed to providing equal opportunities for training and development and, where appropriate, supports employees to progress both within and beyond the organisation. This commitment is supported through an ongoing programme of action to ensure the policy is effective and communicated to all employees.

The workforce is predominantly female with women making up 83% of the total (2024-25: 82%). This ratio is maintained amongst the upper pay quartile where 86% are women (2024-25: 82%). The "mean pay" for women is 12% above the men (2024-25: women 8% above the men). The "median pay gap" is 19% in favour of women (2024-25: 16% in favour of women) arising because a higher proportion of men (42% of the total - 2024-25: 41%) work within the lowest pay quartile.

Pay

St Raphael's aligned clinical pay with NHS AfC rates including the Outer London Weighting allowance with effect from October 2021. As a result the clinical pay is now on a par with our competitors in the market and is transparent and consistent across all clinical teams. This has enabled the charity to retain its experienced and specialist team and also recruit to vacancies when they arise, reducing the risk to our service delivery. Pay increases follow the NHS settlements. For other staff the Remuneration Committee reviews the levels in the light of the prevailing market conditions and balances affordability with the need to retain and recruit skilled staff who can deliver on the strategy of EVE.

The annual pay review was prepared by the Executive and agreed by the Remuneration Committee on 3rd December 2025. It was ratified by the Board on 18 March 2026. Clinical staff are subject to NHS Agenda for Change increments (announced at 3.3% in February 2026 and paid from April 2026). It was agreed that non-clinical staff would be awarded a 4% pay-increase following 0% in the previous year. This was approved against a background wage inflation of 4.2% (2025: 5%) at the date of the Remuneration Committee, cooling to 3.4% by March 2026, and with CPI inflation at 3.4% (2025: 3.2%).

The increase in minimum wages was reflected in our pay review. Permanent staff on the lowest wages of £12.19ph moved to the new minimum wage level of £12.21. It is disappointing that the small gap we had opened up over the National Minimum Wage has been lost as a result of our cost-reductions.

Employee profile

During the year the Hospice averaged 149 contracted employees (2024-25: 144) of whom 45 were full time and 104 part-time (2024-25: 41 and 103). The Hospice also has 30 active bank staff who do not want to commit to working specific regular hours and are offered work as and when the need arises (2024-25: 38).

The age profile of Hospice clinical staff is shown in the table below:

Age Profile (years)	**2026**	**2025**
Lower quartile	29	30
Lower middle quartile	46	47
Upper middle quartile	56	56
Upper quartile	66	65
Mean Average	**50**	**50**
Median	**52**	**53**

Volunteers

St Raphael’s Hospice relies on a large number of volunteers who freely contribute their time and expertise. They impact and add value to all areas of our work and this is hugely appreciated. Our volunteers operate right across all the hospice services and contribute every day to the work. We are delighted to have successfully undertaken the reaccreditation with Investing in Volunteers (IiV), the UK's premier quality standard for volunteer management. It requires organisations to demonstrate exceptional standards across six core areas, including volunteer inclusion, support, and development.

The breakdown of volunteer roles for the Hospice activity the year was as follows:

Volunteer Numbers	**2025-26**	**2024-25**	**2023-24**	**2022-23**
Reception	42	42	42	41
Office and Administration	23	24	27	24
Ward and Patient-facing	40	43	36	24
Flowers and Gardens	16	20	27	20
Psychological Support	18	20	19	18
Hospice Neighbours and Biographers	41	46	44	24
Orangery Café	26	22	18	14
Trustees and Committees	12	12	13	15
Training and Mentoring	1	4	2	2
Wellness Volunteers	22	28	29	28
Occasional Volunteers	13	12	12	19
Hospice Total	**254**	**273**	**269**	**229**
Shops	287	305	246	208
Fundraising Administration	0	0	1	4
Subtotal	**541**	**578**	**516**	**441**
Supporter Groups and Events	149	165	276	294
Total	**690**	**743**	**792**	**735**

Volunteers, continued

We have seen a 5% increase in the total volunteer hours given in the year, amounting to 71,220 hours (2024-25: 67,977 hours), an extraordinary achievement. This provides an estimated financial value of between £1,000,000 and £1,100,000 (2024-25: between £900,000 and £1,000,000), going over the one million level for the first time. These statistics underline the importance of the contribution from our volunteer team.

Fundraising

Income Generation arises from our commercial activity, including our charity shops and lottery, and through legacy and fundraising which is undertaken by our fundraising team. As part of our lottery activity we have two commercial contracts with third-party fundraisers. Sterling Lotteries administers and prepares reports on our weekly draw. At the end of this reporting year we had 8,530 weekly lottery plays (2023-24: 6,813). During the year end we also entered into a contract with Britevox Ltd to recruit players to our lottery. Britevox are licensed and regulated by the Gambling Commission.

There were no complaints received in the period to be reported to the Gambling Commission in our return (2023-24: none).

St Raphael's also benefits from the support of individual fundraisers who carry out activities in aid of the Hospice. At first point of contact they are asked to complete an online event form to ensure contact details are retained and intentions are made clear. A fundraising pack is sent which includes legal advice, e.g. gambling laws surrounding raffles. The office keeps in regular communication with these fundraisers and ensures funds raised are received by the Hospice as swiftly as possible.

We are signed up to the Institute of Fundraising and we follow its Code of Practice, whilst also complying with the Charity Commission guidance, "CC20: Charity Fundraising". During the period of this report there were no complaints or reported failures in compliance with the Fundraising Regulator or other regulatory bodies (2023-24: none).

We have continued to ensure that we protect vulnerable people from undue pressure to donate or support our charitable work we adhere to the following Fundraising Promise:

- We will always tell you about how you are making a difference to the lives of our patients, their families and friends
- We will always take action if others acting on our behalf fail to meet our high standards
- We will never phone you unless you have expressed an interest in our work
- We will always check first that you are happy to speak to us when we phone
- We will never sell your data to anyone else or share it without your permission
- If you tell us you don't want to hear from us again, or want to hear from us less, we will always respect that

We undertake a huge number of fundraising activities throughout the year to generate income to support the work of the hospice. In 2024-25 we produced our first appeal talking about the work of hospice called " Sponsor a Nurse" focussing on the fantastic work of our nursing teams on the ward and in the community.

Fundraising, continued

We also changed how we fundraise across trusts, corporates and individuals, as well as improving our in memory programme to enable people to give in memory of those they love.

As noted in the Financial Review, our fundraising activity saw the hospice raise the most income in a financial year and the new year will be an opportunity to build on this success to enable sustained income in the coming years.

St Raphael's also raises funds through the sale of donated goods through our estate of 12 retail shops. 2024-25 was a successful year as noted in the Financial Review, although our Wimbledon Park shop continued to be a low performer and the decision was taken to close the shop early in 2025. The remaining rent has been provided for in these accounts amounting to £100,000. We are seeking an assignment of this lease to release us from this liability and are close to concluding this after much interest.

As part of our strategy to raise more income, the hospice is actively seeking new venues to open and this will help spread the fixed costs of the service and release additional income.

Auditors

Crowe U.K. LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006, unless the company receives notice under section 488(1) of the Companies Act 2006.

Trustees’ responsibilities statement

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees’ annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for each 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102);

• make judgements and estimates that are reasonable and prudent;

• state whether applicable United Kingdom 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 charity will continue in operation.

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

Trustees’ responsibilities statement, continued

The Trustees confirm that:

• So far as they are aware, there is no relevant audit information of which the charitable company’s auditor is unaware;

• They have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charitable company’s auditor is aware of that information.

Approved by the Board of Trustees and signed on its behalf by:

Norman McWhinney: Chair

Date:

Independent auditor's report to the members of St Raphael's Hospice

Opinion

We have audited the financial statements of St Raphael's Hospice for the year ended 31 March 2026 which comprise the Statement of Financial Activities including income and expenditure account, Balance Sheet, Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting
In our opinion, the financial statements:

• give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its 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 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

• the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of St Raphael's Hospice, continued

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were CQC Regulations, taxation legislation, health and safety legislation, employment legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and recognition of NHS and ICB contract income, legacy income and the override of controls by management.

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

Independent auditor's report to the members of St Raphael's Hospice, continued

Auditor's responsibilities for the audit of the financial statements, continued

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed noncompliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations.

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

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.

UNAUDITED DRAFT

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP,
Statutory Auditor
London

Date:

St Raphael's Hospice
Annual Report and Financial Statements
For the year ended 31st March 2026

Statement of Financial Activities including an income and expenditure account

	Notes	Unrestricted General fund £'000	Unrestricted Designated fund £'000	Restricted funds £'000	**Total funds Year to 31 March 2026 £'000**	Total funds Year to 31 March 2025 £'000
Income and expenditure						
Income from:						
Donations and legacies	2	3,632	-	1,956	**5,588**	4,850
Other trading activities	3	2,399	-	-	**2,399**	2,369
Investments		99	-	-	**99**	98
Charitable activities						
SWL Integrated Care Board	4	1,934	-	89	**2,023**	1,962
Hospice Capital Grant	4	-	-	534	**534**	132
Other income	4	51	-	-	**51**	107
Total income		8,116	-	2,578	**10,694**	9,518
Expenditure on:						
Raising funds	5	2,958	-	47	**3,005**	3,363
Charitable activities	6	5,112	-	494	**5,605**	5,838
Total expenditure		8,069	-	541	**8,610**	9,201
Net gains on investments	11	43	-	-	**43**	17
Net income / (expenditure) before transfers		90	-	2,037	**2,127**	334
Transfers between funds	15-16	106	427	(533)	**-**	-
Net movement in funds		196	427	1,504	**2,127**	334
Reconciliation of funds:						
Fund balances brought forward at 1 April 2025		3,618	983	11	**4,612**	4,278
Fund balances carried forward at 31 March 2026	15-17	3,814	1,410	1,515	**6,739**	4,612

All of the charity's activities during the above two financial periods derived from continuing operations. A full comparative statement of financial activities is shown at note 22 to the financial statements.

Balance Sheet

	Notes	**2026**	**2026**	2025	2025
		£'000	**£'000**	£'000	£'000
Tangible assets	10		**1,285**		868
Fixed Asset Investments	11		**1,819**		1,735
			3,104		2,603
Current assets					
Debtors	12	**1,511**		2,099	
Cash at bank and in hand		**4,375**		2,039	
		5,886		4,138	
Creditors: amounts falling due within one year	13	**(848)**		(1,326)	
Net current assets			**5,038**		2,812
Creditors: amounts falling due after more than one year	13		**(1,403)**		(803)
Total net assets			**6,739**		4,612
Represented by:					
Funds and reserves					
Income funds					
Restricted funds	15		**1,515**		11
Unrestricted funds					
Designated funds	16		**1,410**		983
General fund	17		**3,814**		3,618
Total funds			**6,739**		4,612

Approved by the Board of Trustees and authorised for issue on:

and signed on its behalf by Mr Norman McWhinney (Chair):

St Raphael's Hospice, a charitable company limited by guarantee; Company Registration Number: 11732567 (England and Wales); Charity Registration Number: 1182636

Statement of Cash Flows

	Notes	**Year to 31 March 2026 £'000**	Year to 31 March 2025 £'000
Net cash provided by operating activities	A	**2,815**	487
Cash flows from investing activities:			
Investment income		**99**	98
Purchase of tangible fixed assets		**(580)**	(165)
Purchase of investments		**-**	-
Disposal of investments		**-**	-
Net cash provided by (used in) investing activities		**(481)**	(67)
Change in cash and cash equivalents in the year	B	**2,334**	420
Cash and cash equivalents at 1 April 2025	B	**2,039**	1,619
Cash and cash equivalents at 31 March 2026	B	**4,373**	2,039

A: Reconciliation of net movement in funds to net cash provided by operating activities

		Year to 31 March 2026 £'000	Year to 31 March 2025 £'000
Net movement in funds (as per the statement of financial activities)		**2,127**	334
Adjustments for:			
Depreciation charge / amounts written off		**161**	268
Investment income		**(99)**	(98)
Net (gain) on investments		**(84)**	(63)
Decrease/(Increase) in debtors		**588**	(41)
Increase/(Decrease) in creditors		**123**	87
Net cash provided by operating activities	A	**2,815**	487

B: Analysis of changes in net debt

	2025 £'000	Cash flows £'000	**2026 £'000**
Cash at bank and in hand	2,039	2,334	**4,373**
Total	2,039	2,334	**4,373**

Notes to the Financial Statements

1 Accounting Policies

General Information

St Raphael's Hospice is a private company limited by guarantee in England and Wales (company number 11732567) and a charity registered in England and Wales (charity number 1182636). The registered office is St Raphael's Hospice, London Road, Cheam, SM3 9DX.

Basis of accounting

The financial statements have been prepared for the year ended 31 March 2026.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value, unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102, updated 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

St Raphael's Hospice is a charity which is a public benefit entity as defined in FRS 102.

Critical accounting estimates and areas of judgement

The most significant areas of adjustment and key assumptions that affect items in the financial statements are in respect of:

• the recognition and deferral of income;

• assessing the probability of receiving legacies of which the Charity has been notified;

• estimating the value of the gift in kind of properties occupied under a peppercorn rental agreement with the Congregation of the Daughters of the Cross of Liege;

Assessment of going concern

As stated in the Trustees' Report, the Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and they have made this assessment in respect of a period one year from the date of the approval of these financial statements.

The Trustees have kept abreast of the actual and potential impact of economic and inflationary uncertainties on the Hospice's operations, with a particular focus on its effect on the Hospice's financial position including the Hospice's income, expenditure and reserves. They continue to seek additional income from the NHS Commissioners, SWL ICB, in order to offset the gap between funding and the increase in costs. They have been grateful to receive a new 10% uplift for the year to March 2026 and a commitent to increase again by at least that level in the coming years. Coupled with this the plans include investing in fundraising, lottery and commercial activity to increase voluntary income whilst collaborating with local hospices to fine efficiencies and cost savings. The generosity of DoC in providing £2m of grant funding in 2025-26 and the pledge for a further £1m over the ensuing 2 years, coupled with the gift of the freeholds to the land and buildings occupied by the hospice in May 2026, supports the confidence the Trustees have in their assessment of the going concern of the charity.

Therefore, the Trustees have concluded that there are no material uncertainties related to events or conditions that would cast significant doubt on the ability of St Raphael's Hospice to continue as a going concern. This is because they believe that they have sufficient reserves and resources to withstand any temporary drop in income or any additional unexpected liability.

Income recognition

Income comprises donations, legacies, gifts in kind for donated services and facilities, lottery income, income from retail sales, grants from South West London ICB and other organisations together with the release of the DoC grant from deferred income.

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Notes to the Financial Statements, continued

1 Accounting Policies, continued

Income recognition, continued

Donations and transfers from other registered charities amounting to donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when there has been a grant of probate, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. The value used is discounted by 5% in order to recognise the risk that asset values realised may not reach the original valuation estimates.

Lottery income is recognised during the period in which the lottery draw is held.

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

Grants from government, other agencies and voluntary bodies have been included as income from charitable activities where these are akin to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Income from retail grants is credited to the statement of financial activities when the Charity is entitled to receive the funds and when the amount receivable can be quantified.

Shop income arises from the sales of donated goods at charity shops within the Surrey and Greater London areas. Donated goods are normally distributed very soon after receipt by the charity. Stocks held at the reporting date are immaterial. Under these circumstances, the cost of valuing all donated goods upon receipt by the charity outweighs the benefit to the users of the accounts of providing this information. Consequently, donated goods are included within income when sold or distributed and no value is placed on stock of such items at the year end.

In accordance with the Charities SORP FRS 102 no financial valuation of volunteer time is recognised in these financial statements, refer to the 'Volunteers" section of the Annual Report for further details.

Deferred income includes a cash grant given by the Congregation of Daughters of the Cross of Liège towards strategic investment in the new charity. This was granted as part of the transfer arrangements in order to bridge the anticipated funding gap that will arise over a period of five or more years as the charity invests in its strategy of "EVE" (excellence, visibility and engagement). The deferred income will be released to the Statement of Financial Activity in line with its use.

Donated services and facilities

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

The charity benefits from the use of the hospice buildings and grounds which are leased to it by the Congregation of the Daughters of the Cross of Liege at a peppercorn rent. The value of this gift in kind has been estimated by the Trustees following the receipt of professional valuations for the market rent of the administrative building (759 London Road) and the St Bede's Conference Centre and the capital value of the hospice building and grounds. A 5% rate of return on the capital value was used to estimate the annual rental value. The estimated value has subsequently been increased by reference to market indicators for similar properties in the region. Following the gifting of the freeholds in May 2026 this mechanism has become redundant.

Expenditure and the basis of apportioning costs

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

Notes to the Financial Statements, continued

1 Accounting Policies, continued

Expenditure and the basis of apportioning costs, continued

All expenditure is accounted for on an accruals basis and includes any VAT that cannot be recovered under the s33c VAT refund scheme. This scheme is specific to charities which are wholly operating as Hospices and allows recovery of VAT incurred on the non-business activities (hospice service delivery and most fundraising) as well as the usual business activities (retail etc). In turn that allows for a high proportion recovery of VAT on "apportioned activity", that which serves to support the entire enterprise. VAT cannot be recovered on exempt activity (events, education and lottery).

Expenditure comprises the following:

a. The cost of raising funds includes fundraising and publicity expenditure which comprises costs associated with fundraising and shop overheads, publicity, advertising and event staging. It also includes a share of support costs, including governance costs.

b. The cost of charitable activities comprises all the costs of operating the Hospice, including all staff, supplies and property costs. It also includes a share of support costs, including governance costs.

Tangible fixed assets

Tangible fixed assets are shown on the balance sheet at cost, less accumulated depreciation.

All assets which cost in excess of £5,000 and have an expected useful life exceeding one year are capitalised.

Depreciation is calculated at the following annual rates on a straight-line basis in order to write off each asset over its estimated useful life:

• Computer and other equipment	20 - 33.33%
• Shop fixtures and fittings	33%
• Motor vehicles	25%

Improvements to long leasehold property is depreciated evenly over the period of the lease.

Fund accounting

Any restricted funds are monies raised for, and their use restricted to, a specific purpose or are donations subject to donor-imposed conditions. The restricted reserve comprises the unspent element of all the individual restricted funds.

The designated funds are those which represent the net book value of tangible fixed assets which are used in the day to day work of the Hospice and amounts set aside for fixed asset acquisitions in the next twelve months, and hence, are unavailable for working capital commitments. Designated funds may also be set aside for a specific purpose designated by the Trustees. This designation can be changed by the Trustees and hence the designated fund is unrestricted.

The general fund represents free reserves are that element of unrestricted funds which are available for future spending and are therefore calculated by taking the total unrestricted funds of the charity and deducting any balances not available for future spending, including designated funds which have been set aside by the Trustees for a particular purpose.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease term.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount paid in advance. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash

Cash is held in bank accounts or in hand and money available on demand or term deposits with an expiry date within three months of the balance sheet date.

Creditors

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount St Raphael's Hospice anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Notes to the Financial Statements, continued

1 Accounting Policies, continued

Pension Costs

St Raphael's Hospice operates a defined contribution pension scheme. The amounts charged represent the employers' contributions payable to the scheme in the year.

St Raphael's Hospice also participates in the NHS pension scheme, a defined benefit scheme which is underwritten by the UK Treasury. The liabilities of the scheme are not calculated and there is no attribution of liability to the participant organisations, including the Hospice. Accordingly, the contributions are accounted for as if it were a defined contribution pension scheme.

Employee Costs

St Raphael's Hospice holiday year operates from April to March. A week's worth of holiday that is earned in one year but not utilised in that year can be carried over to the following year. The cost to the charity of that holiday carry-over is estimated and accrued in the financial statements.

St Raphael's Hospice values the loyal service of its staff and makes an award to staff who attain ten years of service. The award is repeated and enhanced at five year intervals thereafter. The potential cost to the charity is calculated for all staff who have reached the end of their fifth year of service in proportion to the time worked towards the next award milestone. This benefit is being phased out over the next five years with a 20% reduction in the calculation of the benefit each year.

Notes to the accounts, continued

2 Donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2026 £'000	*Unrestricted funds £'000*	*Restricted funds £'000*	*Total 2025 £'000*
Donations	1,986	1,631	**3,617**	*2,808*	*93*	*2,901*
Gifts in kind	-	325	**325**	*-*	*315*	*315*
Legacies	1,646	-	**1,646**	*1,634*	*-*	*1,634*
Total	**3,632**	**1,956**	**5,588**	***4,442***	***408***	***4,850***

Gifts in Kind include a donation from the Congregation of the Daughters of the Cross of Liège which represents the estimated market value of the lease of the land and buildings used by the charity, provided by the Congregation at no cost to the charity. The market value of the rent for the property has been estimated at £324,600 for the year (2025 – £315,000). The estimated value has been recognised within income as a donation, and an equivalent charge included within support costs.

The Congregation of the Daughters of the Cross of Liège also made donations totalling £2,000,000 in cash during the year (2025 – £1,000,000). The donations included a £1.5m restricted donation to allow a warehouse to be built on the hospice site, reducing future rental costs.

In addition, the Hospice enjoys the benefit of volunteers for help in the running of the Hospice, fundraising and the shops. In accordance with the accounting policy, the value of these benefits has not been reflected in the financial statements.

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2026 £'000	*Unrestricted funds £'000*	*Restricted funds £'000*	*Total 2025 £'000*
Lottery income	425	-	425	*387*	*-*	*387*
Retail sales and related income	1,974	-	1,974	*1,982*	*-*	*1,982*
	2,399	**-**	**2,399**	***2,369***	***-***	***2,369***

4 Income from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2026 £'000	*Unrestricted funds £'000*	*Restricted funds £'000*	*Total 2025 £'000*
SWL ICB service funding	1,934	-	**1,934**	*1,932*	*-*	*1,932*
SWL ICB Grants	-	89	**89**	*30*	*-*	*30*
Income from South West London Integrated Care Board (ICB)	**1,934**	**89**	**2,023**	***1,962***	***-***	***1,962***
Hospice Capital Grant	-	534	**534**	*-*	*132*	*132*
Govt Grants	**-**	**534**	**534**	***-***	***132***	***132***

The Hospice was grateful to receive £534k (2025: £132k) from the UK Government Hospice Capital Grant Scheme which is administered by Hospice UK. These funds have been spent in the year on capital projects designed to enhance the physical estate of the hospice and to develop and improve our IT and digital capability.

Other	51	-	**51**	*107*	*-*	*107*
Other Income	**51**	**-**	**51**	***107***	***-***	***107***

5 Expenditure on Raising Funds

Year ended 31 March 2026	**Staff Costs** £'000	**Other Costs** £'000	**Support Costs** £'000	**Total** **£'000**	**of the total being** **Unrestricted** £'000	**Restricted** £'000
Fundraising	569	264	81	914	904	10
Lottery	28	134	13	175	175	-
Charity Shops	916	767	234	1,916	1,879	37
	1,513	**1,164**	**328**	**3,005**	**2,958**	**47**

Notes to the accounts, continued

5 Expenditure on Raising Funds, continued

Year ended 31 March 2025	*Staff Costs*	*Other Costs*	*Support Costs*	***Total***	*of the total being Unrestricted*	*Restricted*
	£'000	*£'000*	*£'000*	***£'000***	*£'000*	*£'000*
Fundraising	*565*	*214*	*190*	*969*	*969*	*-*
Lottery	*25*	*305*	*14*	*344*	*344*	*-*
Charity Shops	*887*	*849*	*314*	*2,050*	*2,050*	*-*
	1,477	***1,368***	***518***	***3,363***	***3,363***	***-***

6 Expenditure on Charitable activities

Year ended 31 March 2026	**Staff Costs**	**Other Costs**	**Support Costs**	**Total**	**of the total being Unrestricted**	**Restricted**
	£'000	£'000	£'000	**£'000**	£'000	£'000
Hospice In-Patient Unit	1,936	590	593	3,119	2,842	277
Hospice Community team	1,337	92	160	1,589	1,522	67
Psychological Support team	214	22	34	270	229	41
Education	98	10	28	136	123	13
Orangery	18	98	46	162	137	25
Volunteers	76	21	21	118	109	9
Wellbeing Centre	92	56	63	211	149	62
	3,772	**888**	**925**	**5,605**	**5,112**	**494**

Year ended 31 March 2025	*Staff Costs*	*Other Costs*	*Support Costs*	***Total***	*of the total being Unrestricted*	*Restricted*
	£'000	*£'000*	*£'000*	***£'000***	*£'000*	*£'000*
Hospice In-Patient Unit	*1,913*	*640*	*493*	*3,046*	*2,817*	*229*
Hospice Community team	*1,505*	*108*	*271*	*1,884*	*1,794*	*90*
Psychological Support team	*207*	*29*	*38*	*274*	*230*	*44*
Education	*83*	*27*	*24*	*134*	*111*	*24*
Orangery	*32*	*99*	*30*	*161*	*120*	*41*
Volunteers	*70*	*22*	*25*	*117*	*109*	*8*
Wellbeing Centre	*120*	*58*	*44*	*222*	*168*	*53*
	3,930	*983*	*925*	*5,838*	*5,349*	*489*

Net Income is stated after charging

Auditor's remuneration	
Statutory Audit	27
Other work	4
Staff costs	6,124
Lease rental costs	455
Depreciation	161

See note 7 for an analysis of Support Costs which are allocated across activities on the following basis:

Facilities costs – based on hospice floorspace with a portion to income generating activity.
Quality costs – based on hospice headcount with a portion to income generating activity.
Other Support costs – based on the headcount of each activity.

7 Staff costs

Charitable Activities Year ended 31 March 2026	**Salaries**	**NIC**	**Pensions**	**Total**
	£'000	£'000	£'000	£'000
Hospice In-Patient Unit	1,643	200	93	1,936
Hospice Community team	1,083	141	113	1,337
Psychological Support team	183	23	8	214
Education	85	11	2	98
Orangery	16	2	-	18
Volunteers	67	8	1	76
Wellbeing Centre	82	8	2	92
	3,159	**393**	**220**	**3,772**

7 Staff costs, continued

Income Generation Year ended 31 March 2026	**Salaries** £'000	**NIC** £'000	**Pensions** £'000	**Total** £'000
Fundraising	496	60	13	569
Lottery	24	3	1	28
Retail Shops	813	84	18	916
	1,333	**148**	**32**	**1,513**

Support Team Year ended 31 March 2026	**Salaries** £'000	**NIC** £'000	**Pensions** £'000	**Total Staff Costs** **£'000**	**Non-Staff Costs** £'000	**Total Support Cost** **£'000**
Executive Office and Communications	144	21	6	**171**	202	**373**
HR	125	14	2	**142**	37	**178**
IT and Facilities	281	37	12	**331**	125	**456**
Finance	85	9	4	**98**	46	**144**
Quality	83	11	5	**99**	2	**100**
	718	93	29	**840**	411	**1,251**

Charitable Activities Year ended 31 March 2025	***Salaries £'000***	***NIC £'000***	***Pensions £'000***	***Total £'000***
Hospice In-Patient Unit	*1,673*	*154*	*86*	*1,913*
"Hospice at Home" Community team	*1,256*	*129*	*120*	*1,505*
Psychological Support team	*181*	*19*	*7*	*207*
Education	*74*	*7*	*2*	*83*
Orangery	*30*	*1*	*1*	*32*
Volunteers	*63*	*5*	*2*	*70*
Wellbeing Centre	*111*	*7*	*2*	*120*
	3,388	*322*	*220*	*3,930*

Income Generation Year ended 31 March 2025	***Salaries £'000***	***NIC £'000***	***Pensions £'000***	***Total £'000***
Fundraising	*497*	*48*	*20*	*565*
Lottery	*22*	*2*	*1*	*25*
Retail Shops	*805*	*64*	*18*	*887*
	1,324	*114*	*39*	*1,477*

Support Team Year ended 31 March 2025	***Salaries*** *£'000*	***NIC*** *£'000*	***Pensions*** *£'000*	***Total Staff Costs £'000***	***Non-Staff Costs*** *£'000*	***Total Cost £'000***
Executive Office and Communications	*155*	*18*	*8*	***181***	*380*	***561***
HR	*126*	*10*	*3*	***139***	*25*	***164***
IT and Facilities	*273*	*29*	*10*	***312***	*180*	***492***
Finance	*83*	*8*	*5*	***96***	*30*	***126***
Quality	*83*	*9*	*5*	***97***	*3*	***100***
	720	*74*	*31*	***825***	*618*	***1,443***

In common with other Hospices, St Raphael's employs experienced Specialty Doctors and Specialist Palliative Care Consultants on standard NHS rates of pay and four doctors are included in the higher-paid employees list (2025: 4). Five senior nurses are also included in this listing after including overtime and unsocial hours payments in line with NHS Agenda for Change (2025: 3). The CEO is not the highest paid employee.

Notes to the accounts, continued

7 Staff costs, continued

The number of employees who earned £60,000 per annum or more (including benefits, overtime and unsocial hours uplifts) during the year was as follows:

	2026	*2025*
	No.	*No.*
£60,001 - £70,000	*9*	*7*
£70,001 - £80,000	*1*	*2*
£80,001 - £90,000	*1*	*1*
£90,001 - £100,000	*2*	*2*
£100,001 - £110,000	*1*	*1*

During the year the charity undertook a process of cost reduction that included reduced hours and redundancies. There were no payments related to redundancies in the year (2025: £150k, 13) and £41k for three other agreements to settle the termination of employment (2025: £40k, 3).

Key management personnel

Key management personnel comprised the Trustees, the CEO (Joint-CEO to January 2026), the Director of Fundraising and Communications (to October 2025), the Commercial Director (to March 2026), the Director of Quality and Governance (to March 2026) and the Director of IT and Estates (now Director of Operations) and (up until January 2026) the Joint-CEO/Finance Director, together with our two specialist palliative care consultants. One of the consultants takes the role of lead consultant on a rotational basis and is a member of the Executive Committee of the Hospice. They are not included in the key management personnel costs shown below.

None of the trustees received any remuneration in respect of their services during the year (2025: £nil). No out of pocket expenses were reimbursed to trustees during the year (2025: £nil).

The total employment cost (including taxable benefits and employer's pension and national insurance contributions) of the key management personnel of the charity were £496,279 (2025: £544,204).

8 Staff numbers

Year ended 31 March 2026	**Headcount**	**FTE**	***Headcount***	***FTE***
	2026	2026	*2025*	*2025*
Hospice In-Patient Unit	42	28	*40*	*26*
"Hospice at Home" Community team	16	12	*18*	*14*
Psychological Support team	5	3	*5*	*3*
Education & Quality	4	3	*4*	*3*
Volunteers	1	1	*1*	*1*
Wellbeing Centre	5	2	*4*	*2*
Housekeeping and Orangery	13	7	*15*	*7*
Hospice administration	12	6	*14*	*7*
Medical team	6	4	*6*	*4*
Charitable Activities	**103**	**66**	***107***	***67***
Fundraising	12	10	*13*	*11*
Lottery	1	1	-	-
Retail Shops	46	26	*44*	*28*
Income Generation	**59**	**38**	***57***	***39***
Support Services	13	12	13	10
Executive and Finance	4	2	4	3
Support Services	**16**	**14**	**17**	**13**
All Staff	**179**	**118**	**181**	**119**

Year ended 31 March 2026	**Headcount**	**FTE**	***Headcount***	***FTE***
	2026	2026	*2025*	*2025*
Permanent full time	45	44	*40*	*44*
Permanent part time	104	62	*103*	*62*
"Bank" variable hours	30	12	*38*	*13*
	179	**118**	***181***	***119***

Notes to the accounts, continued

8 Staff numbers, continued

In addition to our paid staff, St Raphael's Hospice benefitted from the support volunteers who contributed their time to cover 690 roles (2025: 743). Volunteer time is not accounted for in these financial statements but is estimated to be valued at just over £1m (2025: £950k).

9 Taxation

St. Raphael's Hospice is a registered charity and therefore benefits from not being liable for income tax or corporation tax on income derived from its charitable activities. As a Hospice it has taken advantage of the s33c VAT allowances which enable it to reclaim a large portion of its VAT paid. At the end of the year a refund is due for £98,320 (2025: £69,241) and this is included within debtors.

10 Tangible fixed assets

	Site Leasehold Improvements	Computer and other Equipment	Shop Fixtures and Fittings	Motor Vehicles	Retail Leasehold Improvements	Assets under Construction	**Total 2026**
	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Cost or valuation							
At 1 April 2025	597	584	59	83	355	-	**1,678**
Additions	160	204	-	-	3	213	**580**
Transfer between classes	140	73	-	-	-	(213)	**-**
At 31 March 2026	**897**	**861**	**59**	**83**	**358**	**-**	**2,258**
Depreciation							
At 1 April 2025	64	425	47	68	206	-	**810**
Charge in year	25	73	5	8	50	-	**161**
At 31 March 2026	**89**	**498**	**52**	**76**	**256**	**-**	**971**
Net book values							
At 31 March 2026	**808**	**362**	**7**	**7**	**102**	**-**	**1,287**
At 31 March 2025	**533**	**159**	**12**	**15**	**149**	**-**	**868**

The land and buildings that are occupied by St Raphael's Hospice are owned by The Congregation of the Daughters of the Cross of Liège and are leased to the charity at a peppercorn rental. The value of the gift in kind is recognised in these financial statements, as described in the principal accounting policies at note 1.

11 Investments

Marketable investments	**2026 £'000**	**2026 Units 000's**	***2025 £'000***	***2025 Units 000's***
Sarasin Endowments Fund				
Market value at start of year	1,688	1,352	*1,671*	*1,352*
Net additions at cost	83	62	-	-
Disposals at market value	(7)	(6)	-	-
Net gain/(loss) on revaluation/disposal	43	-	*17*	-
Market value at 31 March	1,807	1,408	*1,688*	*1,352*

Liquid Assets	**2026**	**2026**	***2025***	***2025***
ICS-Sterling Liquidity Fund	**£'000**	**Units 000's**	***£'000***	***Units 000's***
Market value at start of year	47	-	*1*	-
Investment Income	46	-	*45*	-
Interest	2	-	*1*	-
Fees paid	(7)	-	-	-
Net additions at cost	(83)	-	-	-
Transfer to Cash Deposit	-	-	-	-
Disposals at market value	7	-	-	-
Market value at 31 March	12	-	*47*	-

Notes to the accounts, continued

11 Investments, continued

	2026 £'000	2026 Units 000's	*2025 £'000*	*2025 Units 000's*
Total investments	1,819	1,408	*1,735*	*1,352*
Cost at 31 March	1,692	1,408	*1,615*	*1,352*
Marketable investments comprise				
Fixed Income	195		*165*	
Equities	1,255		*1,159*	
Property	-		*64*	
Alternative investments	273		*167*	
Short term deposits and cash	96		*180*	
	1,819		*1,735*	

12 Debtors

	2026 £'000	*2025 £'000*
Legacies receivable	888	*1,371*
Prepayments	292	*287*
VAT receivable	103	*74*
Other Debtors	228	*367*
	1,511	*2,099*

13 Creditors

Amounts falling due within one year	2026 £'000	*2025 £'000*
Trade creditors	155	*88*
Social security and other taxes	164	*135*
Other creditors and accruals	364	*426*
Deferred income release of DoC grant	-	*600*
Lottery deferred Income	53	*55*
Other deferred Income	112	*22*
	848	*1,326*

Amounts falling due after more than one year	2026 £'000	*2025 £'000*
Deferred income release of DoC grant	1,403	*803*
	1,403	*903*

14 Deferred Income

	2026 DoC Grant £'000	2026 Other £'000	2026 Total £'000	*2025 Total £'000*
Brought forward at 1 April 2025	1,403	77	1,480	*1,478*
Movement in the year	-	88	88	*2*
Carried forward at 31 March 2026	1,403	165	1,568	*1,480*

14 Deferred Income, continued

A cash grant of £3.6m was given by the Congregation of Daughters of the Cross of Liège (DoC) in 2020 towards the strategic plan for the charity and has been included in deferred income. This has been released to the Statement of Financial Activity (SOFA) in line with the conditions of its use, as stipulated in the transfer arrangement between the Congregation and the charity. As a surplus was generated, none was released to the SOFA in the current year (2025: £NIL). Further releases have been budgeted for the years commencing 31st March 2027 and is shown as "Creditors; amounts due after more than one year" at note 13, above.

Other deferred income balances includes lottery subscriptions made for future lottery draws and to challenge event income raised in advance of the challenge taking place. The charity also received a specific grant of £75k to cover a Clinical Digital Educator role for one year. The role commenced in March 2026 with eleven months' worth carried forward.

Notes to the accounts, continued

15 Restricted Funds

The restricted funds are monies received for, and their use restricted to, the following:	At 1st April 2025	Income	Expenditure	Transfer between Funds	**At 31st March 2026**
	£'000	£'000	£'000	£'000	**£'000**
Bereavement support fund	-	35	(35)	-	**-**
DoC gift in kind	-	325	(325)	-	**-**
SWL ICB grants	-	89	(89)	-	**-**
Hospice Capital Grant	-	534	-	(534)	**-**
DoC Capital Grant	-	1,500	-	-	**1,500**
Other restricted donations	11	95	(91)	-	**15**
	11	2,578	(540)	(534)	**1,515**

	At 1st April 2024	*Income*	*Expenditure*	*Transfer between Funds*	***At 31st March 2025***
	£'000	*£'000*	*£'000*	*£'000*	***£'000***
Bereavement support fund	*-*	*35*	*(35)*	*-*	***-***
DoC gift in kind	*-*	*315*	*(315)*	*-*	***-***
SWL ICB grants	*54*	*-*	*(54)*	*-*	***-***
Hospice Capital Grant	*-*	*132*	*-*	*(132)*	***-***
Other restricted donations	*38*	*58*	*(85)*	*-*	***11***
	92	*540*	*(489)*	*(132)*	*11*

The Bereavement support fund represents the funding of the Psychological Support team and related costs.

The DoC gift in kind relates to the provision of the land and buildings on a 20 year lease at a peppercorn rental. The Gift in Kind recognises the valuation placed upon the use of the properties by an independent surveyor in March 2020 adjusted periodically to reflect inflation.

The South West London Integrated Care Board (SWL ICB) gave a grant of £35k towards the funding of one Clinical Nurse Specialist for weekend and bank holiday cover (2025: Nil). They provided a grant of £48k for a project to support the care for patients on the Continuing Health Care Fast Track and funds to cover the first month of a Clinical Digital Educator role (a further eleven months is included as deferred income to be released in 2026-27).

In March 2026, the charity received a grant of £1.5m from the DoC which is restricted to the costs of building a warehouse and office facility, within the grounds, in order to relocate our retail team and storage. This will enable cost savings on the rental of Capital House, London Road, the current venue. Planning permission is being sought and building work should commence in 2026.

The Hospice was grateful to receive £534k (2025: £132k) from the UK Government Hospice Capital Grant Scheme which is administered by Hospice UK. The grant was fully utilised and a breakdown of the capital additions is below:

	2026	*2025*
	£'000	*£'000*
Improvements to in-patient unit	178	*31*
Landscaping and grounds work	162	-
Air conditioning/heating for in-patient rooms, psychological support hub etc	57	*8*
Digital Upgrades (website, equipment, lighting, conference facilities etc)	64	*93*
Drugs Room refit	47	-
Creation of a multi-faith space	19	-
Other capital projects	7	-
	534	***132***

Other restricted donations represent other smaller restricted donations and legacies donated to the Hospice for specific purposes.

Notes to the accounts, continued

16 Designated Funds

		At 1st April 2025	Expenditure	Transfer between Funds	**At 31st March 2026**
		£'000	£'000	£'000	**£'000**
Fixed Asset Fund	Acquired	868	580	(163)	***1,285***
	Committed	-	-	-	***-***
	Budgeted within 12 months	115	-	10	***125***
		983	580	(153)	**1,410**

		At 1st April 2024	*Expenditure*	*Transfer between Funds*	***At 31st March 2025***
		£'000	*£'000*	*£'000*	***£'000***
	Acquired	*971*	*165*	*(268)*	***868***
Fixed Asset Fund	*Committed*	*20*	*-*	*(20)*	***-***
	Budgeted within 12 months	*193*	*-*	*(78)*	***115***
		1,184	*165*	*(366)*	***983***

The unrestricted funds of the Hospice include the following designated funds which have been set aside by the trustees for specific purposes. The fixed asset fund represents the net book value of tangible fixed assets, which are used in the day-to-day work of the Hospice and hence is not available for working capital.

The transfer in the fixed assets "acquired" fund represents the net movement of additions, disposals and depreciation in fixed assets over the year. "Committed" expenditure relate to additions which the charity is contractually obliged to complete and "budgeted" relates to proposed additions that have been approved by the Board of Trustees (unless they are contingent upon new restricted funds budgeted to be received).

17 Analysis of net assets between funds

	Restricted funds	General Fund	Designated fund	**Total 2026**
	£'000	£'000	£'000	**£'000**
Fixed assets	-	1,819	1,285	**3,104**
Current assets	1,515	4,246	125	**5,886**
Creditors: amounts falling due within one year	-	(848)	-	**(848)**
Creditors: amounts falling due after more than one year	-	(1,403)	-	**(1,403)**
Total net assets	1,515	3,814	1,410	**6,739**

	Restricted funds	*General Fund*	*Designated fund*	***Total 2025***
	£'000	£'000	£'000	**£'000**
Fixed assets	*-*	*1,735*	*868*	***2,603***
Current assets	*11*	*4,012*	*115*	***4,138***
Creditors: amounts falling due within one year	*-*	*(1,326)*	*-*	***(1,326)***
Creditors: amounts falling due after more than one year	*-*	*(803)*	*-*	***(803)***
Total net assets	*11*	*3,618*	*983*	***4,612***

18 Leasing commitments

Operating leases

At 31 March 2026 the Hospice had total commitments under non-cancellable operating leases for retail shops and related office and warehouse buildings as follows:

	Land and buildings 2026	***Land and buildings** 2025*
Commitments falling due:	**£'000**	*£'000*
Within one year	389	*320*
Within one to two years	288	*276*
Within two to five years	314	*289*
Over five years	11	*11*
	1,002	***1,295***

The Wimbledon Park shop closed during the prior financial year and remains on the market in order to assign the lease. The full remaining commitment was provided for in the prior year financial statements.

Notes to the accounts, continued

19 Related party transactions

St Raphael's Hospice was established as a work of The Congregation of the Daughters of the Cross of Liege ("DoC", charity number 1068661 and company number 3492921) in 1987 and its activities were reported as part of that entity. The activities and the operating assets and liabilities of the work were transferred into St Raphael's Hospice (charity number 1182636 and company number 11732567) on 31 October 2020 and from that point its activities are reported through this entity.

During the year, two of the trustees of DoC were also trustees of St Raphael's Hospice (Sr Veronica Hagen and Sr Kathleen O'Reilly). The sisters both resigned their trusteeships in January 2026. One member of the Finance & Resources Committee was a paid adviser of the DoC. Mr Ed Cook resigned his membership in January 2026. This marked the end of the direct involvement of the DoC with St Raphael's Hospice. The DoC, and the Sisters who have represented them so effectively over the many years since they were inspired to establish the Hospice in the years running up to its opening in 1987, will be missed for the wisdom and love that they have poured into the charity in support of its mission to the people of Merton and Sutton.

The freeholds of the land and buildings that comprise the St Raphael's Hospice site were owned by DoC at the balance sheet date. These have been leased to St Raphael's Hospice under three separate leases for the three plots (the Hospice, St Bede's and 759 London Road) each for twenty years and at a peppercorn rental of £100 per annum. A total of £300 was paid in the period in respect of these leases (2025: £300). The leases are valued at £325k per annum and a gift-in-kind is recognised in these financial statements for this amount (2025: £315k). The notional rental of £325k is also recognised in these financial statements (2025: £315K).

In May 2026, the freeholds of the land and buildings that comprise the St Raphael's Hospice site (being the three plots, the Hospice, St Bede's and 759 London Road) were gifted to the charity with the covenant that any sales proceeds arising within a ten-year period from the date of the gift, would revert to the DoC. The freeholds were valued by Sterlinworth Surveyors Ltd at £4.28m, being land £1.43m and buildings £2.85m.

During the year the DoC made donations amounting to £2m (2025: £1m). These comprised a gift of £500k towards the operations of the charity (2025: £1m) and a restricted donation of £1.5m towards the construction of a retail warehouse and office facility to enable a future saving on rental costs.

There were no other related party transactions.

20 Capital commitments

As at 31 March 2026 there were no capital commitments. (2025: Nil).

21 Pension commitments

The Hospice makes contributions in respect of the current service of its employees to either the NHS pension scheme or Royal London.

The Royal London pension scheme is a defined contribution scheme, with contributions accounted for in the period in which they arise.

The contributions payable for the year were £121,267 (2025: £130,676).

The NHS pension scheme is a defined benefit scheme which is underwritten by the UK Treasury. The liabilities of the scheme are not calculated and there is no attribution of liability to the participant organisations, including the Hospice. Accordingly, it has accounted for its contributions as if it were a defined contribution scheme.

The contributions payable to the scheme for the year were £144,500 (2025: £150,063).

21 Post Balance Sheet Events

As noted above, in May 2026, the freeholds of the land and buildings that comprise the St Raphael's Hospice site (being the three plots, the Hospice, St Bede's and 759 London Road) were gifted to the charity by the Congregation of the Daughters of the Cross of Liege (DoC), a related party. The land is subject to the covenant that any sales proceeds arising within a ten-year period from the date of the gift, would revert to the DoC. The freeholds were valued by Sterlinworth Surveyors Ltd at £4.28m, being land £1.43m and buildings £2.85m.

The gift will be recognised as a donation and as additions to fixed assets in the 2026-27 financial statements. The pre-existing leasehold improvements categories within fixed assets will be written off as they comprise part of the newly gifted freeholds at the valuation date.

22 Comparative Statement of Financial Activities for the year ended 31st March 2025

	Notes	Unrestricted General fund £'000	Unrestricted Designated fund £'000	Restricted funds £'000	**Total funds Year to 31 March 2025 £'000**	Total funds Year to 31 March 2024 £'000
Income and expenditure						
Income from:						
Donations and legacies	2	4,442	-	408	**4,850**	3,575
Other trading activities	3	2,369	-	-	**2,369**	2,081
Investments		98	-	-	**98**	109
Charitable activities						
SWL Integrated Care Board	4	1,962	-	-	**1,962**	1,697
Hospice Capital Grant	4	-	-	132	**132**	-
Other income	4	107	-	-	**107**	54
Total income		8,978	-	540	**9,518**	7,516
Expenditure on:						
Raising funds	5	3,363	-	-	**3,363**	3,122
Charitable activities	6	5,349	-	489	**5,838**	5,738
Total expenditure		8,712	-	489	**9,201**	8,860
Net gains on investments	11	17	-	-	**17**	146
Net income / (expenditure) before transfers		283	-	51	**334**	(1,198)
Transfers between funds	15-16	333	(201)	(132)	**-**	-
Net movement in funds		616	(201)	(81)	**334**	(1,198)
Reconciliation of funds:						
Fund balances brought forward at 1 April 2024		3,002	1,184	92	**4,278**	5,476
Fund balances carried forward at 31 March 2025	15-17	3,618	983	11	**4,612**	4,278

All of the charity's activities during the above two financial periods derived from continuing operations. A full comparative statement of financial activities is shown at note 22 to the financial statements.