The Prince & Princess of Wales Hospice



Trustees' Annual Report and Audited Financial Statements for Year Ended 31st March 2026

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Company Information

Directors

Heather Matthews (Chairperson)
Ian Reid (Vice-Chairman)

Robert Calderwood
James Graham
Dr James Miller
Jane Scott
Hazel Tomkins

Graeme Waddell
Dr Iain Wallace
Tricia Ward
Louise Worrall

Chief Executive

Rhona Baillie (retiring Oct'26)
Manish Joshi (appointed Oct'26)

Company Secretary

Emma McMullan

Registered Office

20 Dumbreck Road
Glasgow
G41 5BW

Company Registration Number

SC 084008

Charity Registration Number

SC 012372

Bankers

The Royal Bank of Scotland
10 Gordon Street
Glasgow
G1 3PL

Virgin Money
30 St Vincent Place
Glasgow
G1 2HL

Solicitors

Lindsays LLP
100 Queen Street
Glasgow
G1 3DN

External Auditors

Armstrong Watson Audit Limited
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

Stockbrokers

RBC Brewin Dolphin
6th Floor Atria One
144 Morrison Street
Edinburgh
EH3 8BR

Quilter Cheviot
Delta House
50 West Nile Street
Glasgow
G1 2NP

Website

www.ppwh.org.uk

Directors Strategic and Annual Report

The Directors submit their Annual Report and Financial Statements for the year ended 31 March 2026.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The legal and administrative information contained above forms part of this report.

1. Purpose and Principal Activities

The Prince & Princess of Wales Hospice (the Hospice) is located within Bellahouston Park in the southern suburbs of Glasgow. The principal activity of the Hospice is the care of patients with life limiting progressive disease and support for their families. The Hospice offers four distinct areas of care to patients – Inpatient, Day Services, Clinical Nurse Specialist Community team and input to Acute Hospital teams. Patients may access any or all of them, according to individual needs. From a community health perspective, the Hospice covers two Community Health Care & Social Care Partnerships with responsibility for a population of approximately 300,000 people, and receives referrals from around 60 local GP practices, as well as from the Acute Hospitals servicing particularly the South Glasgow area.

The Hospice team acts as a resource to health care professionals who provide palliative care in all of these settings. A team of over 190 staff and over 650 volunteers combine to provide patient and family care and to generate and manage the funding required. The Hospice cares for over 1,200 patients annually, and receives over 800 new referrals each year.

The Hospice operates to provide Specialist Palliative Care services in co-operation with NHS Greater Glasgow & Clyde under a service level agreement and arrangements managed through two Health and Social Care Partnerships in Glasgow City and East Renfrewshire.

2. Structure, Management and Governance

Governing Document

The Prince & Princess of Wales Hospice is a charitable company limited by guarantee, incorporated on 20 July 1983 and registered as a charity in Scotland. The charity is established under its Memorandum of Association, which sets out its charitable purposes and powers, and is governed by its Articles of Association, which define the legal and administrative framework for the organisation. During 2026, the Trustees undertook a review of the charity's governing document and proposed revised Articles of Association to ensure alignment with current regulatory requirements and governance best practice. The revised Articles were adopted at an Extraordinary General Meeting in August 2026.

Organisational Structure and Management

The Hospice has a clear reporting structure where senior staff members with defined responsibilities report to the Chief Executive who in turn reports to the Board of Directors. Day to day operational responsibility is delegated to the Chief Executive and the Hospice management team. All members of the management team are present at regular management meetings and at all six Board meetings during the year, participating in governance subgroups as appropriate.

In addition to the provision of patient care, the Hospice operates a number of charity shops in the Glasgow area, raising funds towards the provision of the care.

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are referred to as the Directors or collectively as the Board (of Directors).

Recruitment and Appointment of Directors

Under the requirements of the Memorandum and Articles of Association, members of the Board are elected to serve for a period of three years after which they must be re-elected at the next AGM. Unless otherwise resolved by the Hospice Members in General meeting, a maximum of two terms (six years) may be served. The Board has adopted a meeting and information structure under which it meets formally at least six times per year. Between formal meetings, Directors are kept in touch electronically with issues of importance.

The Board is comprised of individuals with a wide range of skills from business and financial to clinical. To maintain this balance, retired Directors are replaced by those with an appropriate skill set. This ensures that the Board sub-committees of Audit, Clinical Governance, Income Generation Governance, Risk Management and Staff Governance have relevant representation.

Director Induction and Training

New appointees to the Board and subsidiaries will meet with the Chairman of the Board and the Chief Executive and will be given a tour of the Hospice. In addition, they are invited to participate in the regular inductions available to all new staff and volunteers within the Hospice to aid in their familiarisation with the services being provided.

The Board of Directors

The Directors who served during the year ended 31 March 2026 and thereafter were as follows:

Heather Matthews (Chairperson)
Robert Calderwood
Robin Gillies (resigned 12th January 2026)
James Graham
Dr James Miller
John Kyle (resigned 29th October 2025)
Jane Scott
Ian Reid (Vice-Chairman)
Hazel Tomkins
Graeme Waddell
Dr Iain Wallace
Tricia Ward
Louise Worrall

Clinical Governance

Clinical governance is the overall framework through which the Hospice is accountable for continuously improving clinical, corporate, staff and financial performance. The philosophy of the Hospice is to ensure the provision of high-quality clinical, emotional, social and spiritual care for patients who have a progressive, life-limiting illness and support for those who care for them. Therefore, healthcare governance is integral to our service and practice. The Board has appointed the Clinical Governance Committee, comprising Directors with relevant skills and senior Hospice clinical staff to oversee policy and practice on these aspects of Hospice services, and they meet six times each year.

Information Governance

The Information Governance Group, led by the Caldicott Guardian and Data Protection Officer, has the remit to ensure that all data, clinical and non-clinical, is safely and efficiently recorded and utilised and in keeping with national recommendations. The group meets six times a year to review and improve systems and processes. Work continues to ensure ongoing compliance with the General Data Protection Regulation (GDPR). The Committee meets four times each year to consider all financial matters relating to the Hospice and its subsidiaries.

Risk Management

The Directors have charged the Risk Management Committee with supporting corporate and clinical risk management through the development and implementation of an appropriate risk management framework. This framework comprises a steering group, which meets six times a year, and four sub-groups producing robust risk assessments and subsequent control measures across all departments. This structure is overseen by the Board's Audit, Clinical, and Income Generation Governance Committees, which report to the Board on a regular basis. Through this structure, the Directors have assessed the major risks to which the Hospice is exposed. These fall within the following areas:

Area	*Nature of Risk*	*General description of controls & strategy*
Clinical care	Caring for vulnerable persons Administering medications Skin tissue vulnerability Infections Risk of harm to vulnerable adults Patients at risk of falls	The Hospice has robust and audited operational processes and controls and is highly graded in regulatory inspections. This is supported by strong educational and HR functions for all involved in the care function. Best practice in peer organisations is sought out and implemented. All activity is overseen by the Clinical Governance Committee.
Business risks	Importance of HSCP funding Charity and other competition Poor charity media coverage Tougher data protection regulation Cost increases	The Hospice maintains good relations with its commissioners and all supporters and has robust controls in place to ensure best practice is operated. Operational groups address all risk areas and plan strategy, which includes widening the supporter base, ensuring maximum financial efficiency, and maintaining a strong communications function. All activity is overseen by the Audit and Income Generation Governance Committees.

The above risks are inherent to the activities carried out by the Hospice. Generally, the likelihood of occurrence is assessed as low, but the risks score highly because the consequence of an occurrence could be significant. The Directors are satisfied that systems are in place to minimise exposure.

Staff Governance

The Directors have appointed a Staff Governance Committee to review matters relating to employment and to advise the Board on best practice. The Committee is chaired by the Vice-Chair and includes Directors who have relevant skills and experience as well as appropriate members of the senior management team. The committee meets four times a year.
The Hospice Staff Forum assist and inform the Committee on staff strategy for the future.

Income Generation Governance

This committee continues to review all income streams covering retail, fundraising, lottery, cafe and room bookings. The Committee's continued focus is the on-going generation of income to allow the Hospice to remain financially stable for the long term. The Committee meets quarterly and reports regularly to the Board.

Financial Governance

The Audit Committee comprises of Directors who have business and professional financial expertise. The Committee meets quarterly to consider all financial matters relating to the Hospice and its subsidiaries.

The minutes of all Governance Committees are reviewed by the Board as a standing item on its meeting agenda.

3. Strategy, Objectives and Activity

Overview

The Prince & Princess of Wales Hospice provides specialist palliative and end-of-life care for people living with progressive, life-shortening conditions and those important to them. Through our Inpatient Unit, Community and Outpatient Services, Family Support Service and Young Adult Service, we listen to what matters to each person and tailor care around individual needs, wishes, and preferences.

Our staff and volunteers work in partnership with people and families throughout their hospice journey, building trusting relationships and providing compassionate support that reflects individual needs, wishes, choice of place of care, and what matters most to each person.

Our care is available across South Glasgow, East Renfrewshire, and surrounding communities. We also consider referrals from outside our core area. We work closely with NHS Greater Glasgow & Clyde, Glasgow City and East Renfrewshire Health and Social Care Partnerships, GP practices, community services, and acute hospitals, we help people experience coordinated care and smoother transitions between services.

Clinical Strategy

Our five-year Clinical Strategy sets out how we will develop responsive, inclusive and sustainable services that meet the changing needs of people and families. Guided by the values that define our hospice community, we will listen to and involve people who use our services, families, staff, volunteers and partners to improve access, strengthen quality and ensure that what matters most to each person remains at the heart of every development.

We believe in:

- Care and compassion for our patients and their families
- Striving for excellence
- Dignity and respect
- Fairness and integrity
- Feeling valued as part of the hospice community

Our Aims

The 2026–2031 Clinical Strategy provides the framework for the continued development of our clinical services during a period of change across health and social care. It aligns with Palliative Care Matters for All, the Scottish Government's Palliative Care Strategy from 2025-2030, and responds to increasing need, widening complexity and the importance of equitable, timely and person-centred care. Our ambition is clear, everyone who could benefit from hospice care should be able to access high standards of quality care when they need it.

Five clinical aims will guide our services over the next five years:

1. **Early identification and equitable access.** People with complex palliative care needs will be identified early and referred in a timely way, with fair access to the right support and care when they need it.
2. **Care that is person-centred**. Each person's preferences, wishes and goals will be recognised and responded to as far as possible, with those important to them included in planning and decision-making.
3. **Staff learning and wellbeing.** Staff will be skilled, confident and supported through education, supervision and wellbeing support to deliver consistently high standards of quality care.
4. **A public health approach to death, dying and bereavement.** People, families and communities will be supported to talk openly, make informed choices and support one another through dying, death and bereavement.
5. **A digitally enabled 24/7 palliative care model.** Digital tools and strong partnerships will improve access, coordination, information sharing and data-driven quality improvement, while ensuring people who are not online are not excluded.

Access Team

Our Access Team provides a flexible and responsive single point of access to hospice community and outpatient services, helping people reach the right service at the right time. The team reviews and triages referrals, gathers relevant clinical information and works with patients, families, referrers and hospice professionals to determine the most appropriate support. Through timely, consistent and equitable decision-making, the service helps prioritise care according to need and ensures referral outcomes are communicated clearly.

The team also responds to requests for advice and support from patients, families and healthcare professionals, helping clinical services manage urgent or unplanned needs and maintain continuity of care. By bringing together clinical assessment, administrative coordination and multidisciplinary input, and monitoring referral activity and service performance, the Access Team supports streamlined pathways, fairer workloads and continuous improvement in how people access hospice care.

Inpatient Unit

The Inpatient Unit has 16 single en-suite rooms. During this year, we increased operational capacity by opening three additional beds, bringing the number of beds in use from 10 to 13 and improving access to specialist palliative care for patients and families.

We are privileged to care for people in a welcoming, purpose-built environment where comfort, dignity and time with loved ones are prioritised. Private patios, gardens and inviting shared spaces give people and families choices about how and where they spend time together. Each bedroom is equipped to enable people to stay close, additionally there are two family bedrooms available for relatives, this helps families stay connected and make the most of precious time together.

Outpatient Service

Our Outpatient Service provides specialist assessment, treatment and support for people living with life-shortening conditions and those important to them. Following multidisciplinary review, people can access the services most relevant to their needs, wishes and goals. Through nurse-led and consultant-led clinics, rehabilitation and wider therapeutic support, we help people manage symptoms, maintain independence and continue activities that matter to them, enabling them to live as well as possible for as long as possible, in the comfort of their own home.

People and families can also access a range of Wellbeing and Supportive Services, including the Living Well Hub, Music Therapy, Creative Art Service, Complementary Therapies and Befriending Support. These services provide opportunities for connection, self-expression, relaxation and peer support, helping people remain connected to their communities and enhancing wellbeing throughout their hospice journey.

Community Service

Our community team visit people in their own homes. In partnership with each person and those important to them together with wider health and social care professionals, the multidisciplinary team provides assessment, symptom management, emotional support and future care planning tailored to individual needs, preferences and wishes.

People are supported to understand their options, make informed choices and access the right support at the right time. Working closely with GPs, district nurses, hospitals, care homes and community services, the team helps ensure coordinated care across settings, supported by a single point of access, multidisciplinary review of referrals and a 24-hour hospice helpline for people, families and professionals.

Young Adult Service

Our Young Adult Service supports people aged 16 and over who are living with life-shortening conditions and may be transitioning from paediatric to adult services. The service recognises each young person as an individual, providing age-appropriate support that promotes wellbeing, independence, relationships, education, employment and participation in community life while responding to increasingly complex health needs.

Through Young Adult Clinics, the Young Adult Hub and access to wider hospice services, young adults receive care and support shaped around their goals and aspirations. By listening to young people and involving them in decisions about their care, the service helps them manage changing needs, maintain independence, build meaningful relationships and achieve the best possible quality of life.

Family Support Service

Our Family Support Service provides emotional, psychological, spiritual, practical and bereavement support to people and families throughout their experience of hospice care. Working alongside clinical teams, the multidisciplinary service ensures support reflects each person's circumstances, relationships, values and wishes, helping people feel heard, understood and supported during times of uncertainty and change.

Support includes counselling, social work, chaplaincy, music therapy and specialist bereavement services for adults, children and young people. By bringing these services together, we help people and families draw on their strengths, develop ways of coping and access practical and emotional support that is tailored to what matters most to them throughout illness, bereavement and beyond.

Rehabilitation Service

Our Rehabilitation Service includes physiotherapy and rehabilitation support. The team works throughout all hospice services to identify people's personal preferences and wishes, build confidence, support independence and help manage symptoms in everyday life.

Clinical Administration

Our Clinical Administration Department plays a central role in supporting safe, effective and person-centred care across the hospice. The team coordinates referrals, appointments and communication, maintains accurate and confidential patient information, and supports the smooth running of all clinical services. Through the hospice switchboard and close working with patients, families, clinical teams, GP practices, hospitals and community partners, the department helps people access the right support and ensures information is shared clearly and promptly.

The team also supports quality improvement, governance and service development through reliable administrative systems, referral tracking, data collection, audit and reporting. By adapting processes as services and digital systems change, and by working with accuracy, compassion, dignity and respect. Clinical Administration helps maintain continuity, strengthen coordination and ensure that patients, families and professionals receive responsive and consistent support throughout their contact with the hospice.

Clinical Governance and Quality Assurance

Clinical Governance is embedded throughout everyday practice and provides the framework that supports safe, effective and person-centred care. Through continuous quality assurance, risk management, learning and improvement, it helps ensure services remain responsive to the needs, experiences and feedback of people and families, while maintaining high standards of quality, safety and professional practice.

By promoting a culture of reflection, learning and continuous improvement, Clinical Governance provides assurance that care is regularly reviewed, outcomes are monitored and opportunities for improvement are acted upon. This helps ensure that services continue to evolve in response to the changing needs of the people and families we support.

Clinical Education

Clinical education is central to delivering safe, compassionate and high-quality care. In line with our Clinical Strategy, we are developing a learning-focused workplace where staff feel valued, supported and confident. Education, clinical supervision, leadership development and wellbeing support help ensure our workforce has the skills and knowledge required to meet changing needs and deliver excellent person-centred care.

Our Education and Workforce Development Strategy focuses on recruiting and retaining a diverse and resilient workforce, promoting continuous learning and improvement, developing compassionate leadership and using digital innovation to strengthen communication, learning, governance and care. We also share specialist palliative care knowledge with health and social care partners and local communities.

Research

Research and evidence-based practice play an important role in improving the quality, safety and effectiveness of hospice care. Our established research group provides oversight and governance for research activity and supports collaboration with external partners. Research priorities are informed by the experiences and needs of people using our services, families, staff and the wider palliative care community.

Our research portfolio includes studies exploring symptom management, care at the end of life, the experiences of people living with advanced illness and the needs of young adults with complex conditions. Through participation in research and the application of learning from evidence, feedback and outcomes data, we continue to strengthen services and improve care for the people and families we support.

The Future of Clinical Services

We are committed to delivering high-quality, compassionate care that supports people to live as well as possible and ensures their wishes, choices and preferences remain at the heart of every decision.

Feedback and experiences help shape service developments, improve information and strengthen the support available to others. By listening, learning and acting on what people tell us, we continue to develop services that are responsive, person-centred and focused on what matters most. Close collaboration with acute hospitals, and Health and Social Care Partnerships supports timely admissions, effective discharge planning and coordinated care across settings.

This year, we received an exemplary report from our regulator Healthcare Improvement Scotland, in recognition of the high standards of care, compassion and professionalism demonstrated across our services. We were awarded three exceptional ratings, with no recommendations for improvement. The report reflected our commitment to delivering safe, effective and person-centred care, and recognised the dedication of our staff and volunteers in supporting people and families with dignity, respect and compassion.

HR and Volunteer Services

Our dedicated team of staff and volunteers are the Hospice's greatest asset in its mission to provide consistently high standards of care and service to patients and families. The way in which we lead, manage and develop our team of staff and volunteers is essential to the provision of high-quality care and service. Long-term success requires recruiting and retaining a well-managed, highly skilled and motivated workforce who have the right opportunities to learn and develop.

Income Generation

Our income generation work continued to focus on developing new income streams and strengthening existing ones, helping us sustain essential care and support for patients and their families.

Fundraising

Fundraising raised £2,618,452, including legacies, slightly ahead of budget. Excluding legacies, income was in line with the previous year. Legacy income met its increased budget, although it was lower than the exceptional total received in 2024/25.

Trusts and community fundraising both performed ahead of budget. Kiltwalk raised almost twice its target, and the Vital Care Appeal - our first major appeal since the capital appeal - raised £119,582 from 727 donors against a £50,000 target. In Memory giving also exceeded budget. Income from our own events was below budget, and we will be addressing this in the year ahead.

Retail

Retail sales reached a new high of £1,642,176, reflecting strong performance from our city centre shops. During the year, our Shawlands and Clarkston community shops closed, while a new shop opened on Union Street in December 2025 and performed well in its first three months.

A major fire on Union Street in March 2026 resulted in the shop closing for six days. While the shop sustained no damage, ongoing restrictions to street access until July adversely affected footfall and sales. The associated loss of trade was not covered by insurance, as access to the shop itself remained available. Glasgow City Council provided a £2,000 grant towards the impact of the disruption.

Retail volunteer numbers grew from 220 to 330 following the transfer of the volunteer coordinator role into the retail team.

Lottery

Lottery income was slightly lower than in the previous year, and weekly plays declined over the course of the year. Most of the reduction was in cash plays, while Direct Debit plays remained steady. As a result, a greater proportion of supporters now pay by Direct Debit.

Working with our lottery partner, Starvale, canvassers now record the postcodes of doors they visit, helping us focus activity on areas that are most likely to convert. Our ongoing mailings also encourage cash players to switch to Direct Debit, with around one in ten supporters contacted making the change.

4. Financial Review

Going Concern Basis of the Financial Statements

In preparing the Financial Statements, the Directors have had regard to the financial position of the Hospice as evidenced in the Consolidated Balance Sheet on page 15, to the detailed budgets prepared for the following financial year 2026-27 and 2027-28 and to the likely sources of income during that period.

The Directors are satisfied that presentation of the financial statements on the basis of the Hospice as a going concern is appropriate, and the financial statements have therefore been presented on that basis.

Principal Funding Sources

Delivering specialist palliative care services incurs an annual cost of over £6.21 million. Additionally, £3.78 million is required to raise funds through trading activities and fundraising to ensure future financial sustainability.

The Hospice is partly funded by a contribution from Glasgow City HSCP through a Service Level Agreement (SLA). A 3% funding increase was awarded for 2025-26, with a further 3% increase confirmed for 2026-27. In addition, a new three-year SLA covering the period 2026-2029 has now been agreed, providing a greater degree of funding stability and supporting the continued delivery of specialist palliative care services.

In 2025-26, HSCP funding of £3,062,285 (2024-25: £2,612,919) was received. Funding included free issue pharmaceuticals and supplies valued at £79,645 (2024-25: £51,023).

Result for the Year

In 2025-26, the Hospice recorded a deficit of £84,947 (2024-25: surplus of £62,157). The Hospice continues to face significant financial challenges due to a combination of rising operational costs, limited government funding, and a difficult fundraising environment. This makes it increasingly difficult to break even or maintain current service levels. The Board and Senior Management Team continue to review all services and operational practices, implementing more efficient ways of working while maintaining the high standard of care provided to the people of Glasgow.

Reserves policy

The Directors have a policy whereby reserves will be retained to generate income to meet future operating costs and proposed capital expenditure. The Directors have decided that a level of General Reserve equivalent to around 6 months of ordinary expenditure is prudent to ensure the Hospice's future viability. Total General Reserves stand at £6,727,410 which equates to over 8 months of ordinary expenditure. The Directors consider the level of free reserves (General Reserves less Investments) to be £858,410 at 31 March 2026 (2024-25: £381,287).

Investment policy

Funds which are available for investment are placed having regard to the expected future cash requirements of the Hospice. Our funds are managed on a discretionary basis by professional stockbrokers. The stockbrokers' remit is to achieve a balance between the capital growth without exposing the Hospice to unnecessary risk.

At 31st March 2026, our investments have a market value of £5,869,001, with a historical cost of £5,069,817.

5. Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

Statement of Disclosure to the Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charity auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

6. Auditors

A resolution to re-appoint Armstrong Watson Audit Limited as auditors to the company will be proposed at the Annual General Meeting.

This Report was approved by the trustees on 28 October 2026 and signed on their behalf by:

Heather Matthews

HEATHER MATTHEWS
Chairperson

Independent Auditor's Report to the Trustees

Opinion

We have audited the financial statements of The Prince & Princess of Wales Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Group and Parent Charitable Company's Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheets, the Group and Parent Charitable Company's Cash Flow Statements and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2026 and of the group's and the parent charitable company's incoming resources and application of resources including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, the reporting standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

In connection with our audit of the financial statements, 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 Directors' Annual Report & Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Annual Report, included in the Report of Trustees, and Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement 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 which 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 a report of the independent auditors 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited.

Gavin Curr FCCA
Senior Statutory Auditor
For and on behalf of Armstrong Watson Audit Limited
Caledonia House, 89 Seaward Street, Glasgow, G41 1HJ

28 October 2026
Armstrong Watson Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities
For the year ended 31st March 2026

	Note	Unrestricted Funds 2026	Restricted Funds 2026	Total Funds 2026	Unrestricted Funds 2025	Restricted Funds 2025	Total Funds 2025
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	5	1,393,765	-	**1,393,765**	1,895,165	-	**1,895,165**
Income from charitable activities:							
Specialist palliative care	6	3,158,047	181,570	**3,339,617**	2,904,676	107,328	**3,012,005**
Other trading activities	7	4,386,810	-	**4,386,810**	4,503,448	13,065	**4,516,513**
Investments	8	300,281	-	**300,281**	266,197	-	**266,197**
Other incoming resources	9	84,831	-	**84,831**	122,816	-	**122,816**
Total Income		9,323,734	181,570	**9,505,304**	9,692,303	120,393	**9,812,696**
Expenditure on:							
Raising funds:							
Other trading activities	10	3,785,097	-	**3,785,097**	3,436,963	-	**3,436,963**
Charitable activities	11	6,061,558	148,994	**6,210,552**	6,222,010	134,724	**6,356,734**
Total Expenditure		9,846,655	148,994	**9,995,649**	9,658,973	134,724	**9,793,697**
Net income/(expenditure) and net movement in funds before gains and losses on investments		(522,921)	32,576	**(490,345)**	33,330	(14,331)	**18,999**
Realised gain on investments		115,397	-	**115,397**	6,916	-	**6,916**
Unrealised gains/(losses) on investments	16	290,001	-	**290,001**	36,242	-	**36,242**
Net income/(expenditure)		(117,523)	32,576	**(84,947)**	76,488	(14,331)	**62,157**
Transfers between funds		13,776	(13,776)	**-**	25,333	(25,333)	**-**
Net movement in funds		(103,748)	18,801	**(84,947)**	101,821	(39,664)	**62,157**
Funds reconciliation							
Total Funds brought forward		27,501,909	229,563	**27,731,472**	27,400,088	269,227	**27,669,315**
Total Funds carried forward	19	27,398,161	248,364	**27,646,525**	27,501,909	229,563	**27,731,472**

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Consolidated Balance Sheet
As At 31st March 2026

	Note		2026	2025
			£	£
***Fixed assets*:**				
Tangible assets	15		18,699,615	18,954,096
Investments	16		5,869,001	6,429,690
Total Fixed Assets			24,568,616	25,383,786
Current assets:				
Debtors	17	654,953		740,792
Stock		23,232		29,148
Short term deposits	22	2,620,128		973,044
Cash at bank and in hand	22	1,154,458		1,288,033
		4,452,770		3,031,018
***Liabilities*:**				
Creditors falling due within one year	18	1,374,861		683,333
Net Current Assets			3,077,909	2,347,685
Total Assets less Current Liabilities			27,646,525	27,731,472
Reserves:				
Restricted funds	19			
General			248,363	229,563
Unrestricted Funds	19			
Designated income funds				
Fixed asset reserve			18,699,615	18,954,096
Young Adults' Service			128,992	295,830
Service development reserve			193,043	193,043
Retail Warehouse			1,649,102	1,247,965
Other unrestricted funds	19			
General reserve			6,727,410	6,810,975
Total funds			27,646,525	27,731,472

These financial statements were approved by the board on 28 October 2026 and signed on its behalf by:

Heather Matthews

HEATHER MATTHEWS
Chairperson

JAMES GRAHAM
Director

Company Registration No. SC084008
The notes on pages 19 to 37 form part of these financial statements.

Statement of Financial Activities
For Year Ended 31st March 2026

	Note	Unrestricted Funds 2026	Restricted Funds 2026	Total Funds 2026	Unrestricted Funds 2025	Restricted Funds 2025	Total Funds 2025
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	5	1,393,765	-	**1,393,765**	1,895,165	-	**1,895,165**
Income from charitable activities:							
Specialist palliative care	6	3,158,047	181,570	**3,339,617**	2,863,792	107,328	**2,971,121**
Other trading activities	7	3,450,299	-	**3,450,299**	3,650,880	13,065	**3,663,945**
Investments	8	436,482	-	**436,482**	412,589	-	**412,589**
Other incoming resources	9	84,831	-	**84,831**	122,816	-	**122,816**
Total Income		8,523,424	181,570	**8,704,994**	8,945,243	120,393	**9,065,636**
Expenditure on:							
Raising funds							
Other trading activities	10	2,984,787	-	**2,984,787**	2,730,786	-	**2,730,786**
Charitable activities	11	6,061,558	148,994	**6,210,552**	6,318,289	134,724	**6,453,013**
Total Expenditure		9,046,346	148,994	**9,195,339**	9,049,076	134,724	**9,183,800**
Net income/(expenditure) and net movement in funds before gains and losses on investments		(522,921)	32,576	**(490,345)**	(103,833)	(14,331)	**(118,164)**
Realised gains on investments		115,397	-	**115,397**	6,916	-	**6,916**
Unrealised gains/(losses) on investments	16	290,001	-	**290,001**	36,242	-	**36,242**
Net income/(expenditure)		(117,523)	32,576	**(84,947)**	(60,675)	(14,331)	**(75,006)**
Transfers between funds		13,776	(13,776)	**-**	25,333	(25,333)	**-**
Net movement in funds		(103,748)	18,801	**(84,947)**	(35,341)	(39,664)	**(75,006)**
Funds reconciliation							
Total Funds brought forward		27,501,909	229,563	**27,731,472**	27,537,250	269,227	**27,806,478**
Total Funds carried forward		27,398,161	248,364	**27,646,525**	27,501,909	229,563	**27,731,472**

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Balance Sheet
As At 31st March 2026

	Note		2026	2025
			£	£
***Fixed assets*:**				
Tangible assets	15		18,699,615	18,954,096
Investments	16		5,870,001	6,430,691
Total Fixed Assets			24,569,616	25,384,787
Current assets:				
Debtors	17	668,597		880,525
Stock		3,427		2,674
Short term deposits	22	2,620,128		973,044
Cash at bank and in hand	22	1,128,543		1,114,310
		4,420,695		2,970,554
***Liabilities*:**				
Creditors falling due within one year	18	1,343,786		623,868
Net Current Assets			3,076,909	2,346,685
Total Assets less Current Liabilities			27,646,525	27,731,472
Reserves:				
Restricted funds	19			
General			248,363	229,563
Unrestricted Funds	19			
Designated income funds				
Fixed asset reserve			18,699,615	18,954,096
Young Adults' Service			128,992	295,830
Service development reserve			193,043	193,043
Retail Warehouse			1,649,102	1,247,965
Other unrestricted funds	19			
General reserve			6,727,410	6,810,975
Total funds			27,646,525	27,731,472

These financial statements were approved by the board on 28 October 2026 and signed on its behalf by:



HEATHER MATTHEWS
Chairperson



JAMES GRAHAM
Director

Company Registration No. SC084008
The notes on pages 19 to 37 form part of these financial statements.

Consolidated & Charity Statement of Cash Flows
For Year Ended 31st March 2026

	Note	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
***Cash flows from operating activities*:**					
Net cash provided by (used in) operating activities	**21**	486,339	497,946	55,075	(173,076)
***Cash flows from investing activities*:**					
Purchase of tangible fixed assets		(239,699)	(239,699)	(197,157)	(197,157)
Sale of tangible fixed assets		500	500	-	-
Investments added		(1,266,442)	(1,266,442)	(824,439)	(824,439)
Sale of investments		2,232,530	2,232,530	845,577	845,577
Investment income received		300,281	436,482	266,197	412,589
Net cash (used in) provided by investing activities		1,027,170	1,163,371	90,178	236,570
Change in cash and cash equivalents in the year		1,513,509	1,661,317	145,253	63,494
Cash and cash equivalents brought forward	**22**	2,261,077	2,087,354	2,115,824	2,023,860
Cash and cash equivalents carried forward	**22**	3,774,586	3,748,671	2,261,077	2,087,354

Notes to the Consolidated Financial Statements

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The Financial Statements (Accounts) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Financial Statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Financial Statements consolidate the results of the wholly owned subsidiary company, Hospice Enterprises Limited. The subsidiaries Hospice Developments Limited as well as subsidiary SCIO Beauty with a Conscience were both dormant during the reporting period and dissolved post year-end.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The charity constitutes a public benefit entity as defined by FRS 102.

Going concern

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

In preparing the Financial Statements, the Directors have had regard to the financial position of the Hospice as evidenced in the Consolidated Balance Sheet on page 15, to the detailed budgets prepared for the following financial year 2026-27 and 2027-28, to the likely sources of income during that period.

The Directors are satisfied that presentation of the financial statements on the basis of the Hospice as a going concern is appropriate, and the financial statements have therefore been presented on that basis.

(b) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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.

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

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

Income from fundraising events operated by the group is credited to Income and Expenditure account in the period in which the event took place.

Gift Aid and similar tax recoveries are credited to the income heading which gave rise to the tax recovery.

Material donations of assets, services or facilities are included at the value to the Hospice where this can be reasonably quantified. The value of services provided by volunteers is not included in the Financial Statements.

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

- Expenditure on charitable activities includes Specialist Palliative Care and other activities undertaken to further the purposes of the charity and their associated support costs;
- Raising funds – other trading activities includes fundraising costs and shop costs.

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

(d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised.

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

(e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an appropriate apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on time spent. The allocation of support and governance costs is analysed in note 12.

(f) Tangible fixed assets

Depreciation is provided on a straight-line basis on fixed assets for the purpose of writing off each asset over its estimated useful life at the following rates:

Heritable property (Incl. New Hospice)	0-4% p.a.
Property refurbishment	20% p.a.
Equipment	25% p.a.
Other motor vehicles	25% p.a.
IT Equipment	25-33% p.a.
Fixtures and fittings in leased premises	over the period of the lease

Fixed assets are included at cost less accumulated depreciation and accumulated impairment losses. Where estimated residual value at the balance sheet date is considered to be equivalent to net book value, no depreciation will be charged.

(g) Fixed asset investments

Investments are initially recognised at cost then subsequently at fair value, being the quoted market value. Realised gains and losses (representing the difference between sales proceeds and fair value at the previous financial year end or purchase cost if acquired during the financial year) and unrealised gains and losses (representing the movement in fair value of investments over the financial year or from their date of purchase if acquired during the financial year) are recognised within income and expenditure in the Statement of Financial Activities.

(h) Debtors

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

(i)Stocks

Stocks of bought in goods are stated at the lower of cost and net realisable value. As it is not practical to value items donated for resale on receipt because of the volume of low value items, they are not recognised in the financial statements until they are sold.

(j) Cash at bank and in hand

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

(k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(l) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(m) Pension schemes

The company operates a defined contribution pension scheme which requires contributions to be made to a separately administered fund. Employer's contributions are charged to the Consolidated Income and Expenditure Account in the period in which they become due. In addition, staff who are eligible, are members of the National Health Service Superannuation Scheme for Scotland. This is a multi-employer defined benefit scheme. The Hospice is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and hence this is accounted for as though a defined contribution scheme as per above.

(n) Taxation

The company has charitable status for tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received, to the extent that such income or gains are applied to exclusively charitable purposes. The trading subsidiary is subject to Corporation Tax, but this is relieved by the transfer of all trading surpluses to the Hospice.

2. Legal status

The company is limited by guarantee and does not have a share capital. On 14 July 1980, the Secretary of State at the Department of Trade authorised the company to dispense with the word "Limited".

According to the Memorandum of Association of the company, every member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities the company contracted before he ceased to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors amongst themselves, such amount as to be required, not exceeding £1. On 28 August 2026, the board approved implementation of the new modernised Articles, moving the governance structure to single-tier, whereby the directors are also the members. As a result, the charity has 11 members. The number of members is limited to 20.

3. Financial activities of subsidiaries

a. A summary of the financial activities undertaken by Hospice Enterprises Limited is set out below:

	2026	2025
	£	£
Turnover	936,511	852,568
Cost of sales	(355,325)	(272,760)
Administration costs	(444,985)	(433,416)
Profit before taxation	136,201	146,392
Taxation	-	-
Donation to parent company	136,201	146,392

The assets and liabilities of the Hospice Enterprises Limited were:		
Fixed assets	-	-
Current assets	232,742	274,320
Current liabilities	(231,742)	(273,320)
Total net assets	1,000	1,000
Aggregate share capital and reserves	1,000	1,000

The wholly owned trading subsidiary Hospice Enterprises Limited, which is incorporated in Scotland, carries out fundraising activities with surpluses donated to The Prince & Princess of Wales Hospice by way of donation. The company carries out trading activities for the charity located within the Hospice and its current assets and liabilities at the year-end were related to that activity. This year the subsidiary reported a profit after tax of £136,201 (2025: £146,392). The charity owns the entire share capital of 1,000 ordinary shares of £1. A summary of the trading results is shown above.

b. A summary of the financial activities undertaken by Beauty with a Conscience (SCIO) is set out below:

	2026	2025
	£	£
Income from donations & grants	-	-
Income from charitable activities	-	40,884
Income from trading activities	-	-
Income from other sources	-	91,536
	-	132,420
Expenditure on charitable activities	-	(45,258)
Expenditure on other trading activities	-	-
(Deficit)/Surplus	-	87,162
Taxation	-	-
Funded by Parent Company	-	87,162

The assets and liabilities of Beauty with a Conscience (SCIO) were:	2026	2025
	£	£
Current assets	-	-
Current liabilities	-	-
Total net assets	-	-

"Beauty with a Conscience" was formed as a Scottish Charitable Incorporated Organisation (SCIO) which operated as subsidiary of the Hospice, whilst working on a joint basis with Glasgow Clyde College to provide work experience in a real commercial environment for students taking courses in Beauty Treatments. This venture commenced trading in November 2018, but ceased trading in September 2024, with the SCIO being dissolved in April 2026.

c. A summary of the financial activities undertaken by Hospice Developments Limited is set out below:

	2026	2025
	£	£
Turnover including interest receivable	-	-
Costs	-	-
Net (loss)/profit	-	-
Taxation	-	-
Donation to Parent Company	-	-
The assets and liabilities of the Hospice Developments Limited were:		
Fixed assets	-	-
Current assets	-	1
Current liabilities	-	-
Total net assets	-	1
Aggregate share capital and reserves	-	1

The wholly owned trading subsidiary Hospice Developments Limited, incorporated in Scotland, organised, and oversaw the development of the new Hospice facilities. The company was dormant throughout the current and prior year, and the company was subsequently dissolved in May 2026.

4. Related party transactions and directors' expenses and remuneration

Directors, senior management and their families may benefit from the charitable services of the Hospice in the ordinary course of its work. Provision of such services is independently subject to the same clinical referral criteria and process as is applied to all members of the public.

Directors, senior management and their families may purchase event tickets and bid for auction prizes at such events on the same commercial basis as such items are available to other supporters of the Hospice.

The Directors all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2024-25: £nil). It is the charity's policy to not pay expenses to trustees.

Total donations by Directors, senior management and their families amounted to £17,200 (2024-25 £51,655). These comprise of cash donations and payments for tickets to attend charity fundraising events.

During the year no Director, senior manager or their families had any personal interest in any contract or transaction entered by the charity (2024-25: none).

The only related party, with which the Hospice has transacted during the year was Hospice Enterprises Limited. All trading surpluses of Hospice Enterprises Limited have been paid to the company in the form of donations.

5. Income from donations and legacies

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Donations	987,485	987,485	721,695	721,695
Legacies	406,280	406,280	1,173,470	1,173,470
	1,393,765	1,393,765	1,895,165	1,895,165

6. Income from charitable activities

	Group 2026	Charity 2026	Group 2025	Charity 2025
Specialist Palliative Care	£	£	£	£
NHS/HSCP/Scottish Government	3,062,285	3,062,285	2,612,919	2,612,919
Beauty With a Conscience	-	-	40,884	-
Grants received	277,332	277,332	358,202	358,202
	3,339,617	3,339,617	3,012,005	2,971,121

Income from charitable activities includes £3,062,285 (2025: £2,612,919) received from Glasgow City Health and Social Care Partnership towards running costs of the Hospice services along with additional funding from Scottish Government to support pay parity for clinical staff. There are no unfulfilled conditions or contingencies associated with these government grants.

7. Income from other trading activities

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Events & fundraising Income	1,042,555	1,042,555	1,436,165	1,436,165
Lottery income	765,568	765,568	799,725	799,725
Trading Income	1,642,176	1,642,176	1,428,055	1,428,055
Retail income	936,511	-	852,568	-
	4,386,810	3,450,299	4,516,513	3,663,945

8. Investment income

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Hospice Enterprises Limited	-	136,201	-	146,392
Dividend income	231,994	231,994	219,458	219,458
Interest from short term deposits	68,287	68,287	46,739	46,739
	300,281	436,482	266,197	412,589

9. Other income - Group & Charity

	2026	2025
	£	£
Education	21,099	20,090
Young Adult Respite	-	53,931
Rental Income	62,732	48,795
	84,831	122,816

10. Raising funds – expenditure on other trading activities

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Direct costs of fundraising events	361,871	361,871	622,134	622,134
Lottery prizes and expenses	392,963	392,963	363,864	363,864
Costs of trading activity	1,601,633	1,601,633	1,263,271	1,263,271
Costs of retail activity	800,310	-	706,176	-
Other fundraising costs	628,320	628,320	481,517	481,517
	3,785,097	2,984,787	3,436,963	2,730,786

11. Analysis of expenditure on charitable activities

Specialist Palliative Care	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Staff Costs	4,431,351	4,431,351	4,238,482	4,238,482
Depreciation and impairment	490,825	490,825	711,529	711,529
Governance costs (note 12)	33,598	33,598	33,269	33,269
Support costs (note 12)	184,607	184,607	177,648	177,648
Other	1,070,171	1,070,171	1,195,806	1,292,085
	6,210,552	6,210,552	6,356,734	6,453,013

12. Allocation of governance and support costs – Group

The breakdown of support costs and how these have been allocated between governance and other support costs is shown in the table below:

Cost type	Governance related	Other support costs	2026 Total allocated	Basis of apportionment
	£	£	£	
Staff costs	19,855	184,607	204,462	Staff time
Total	19,855	184,607	204,462	

Cost type	Governance related	Other support costs	2025 Total allocated	Basis of apportionment
	£	£	£	
Staff costs	19,739	177,648	197,387	Staff time
Total	19,739	177,648	197,387	

Governance costs:	2026	2025
	£	£
Auditor's remuneration	13,743	13,530
Support costs (see above)	19,855	19,739
	33,598	33,269

Breakdown of governance and support costs by activity;

	Governance	Support costs	2026
	£	£	£
Specialist palliative care	33,598	184,607	218,205

	Governance	Support costs	2025
	£	£	£
Specialist palliative care	33,269	177,648	210,917

13. Analysis of staff costs and remuneration of key management personnel

	Group 2026 £	Group 2025 £
Salaries	4,835,116	4,918,026
Social Security costs	632,204	449,768
Employer's Pension costs	335,978	398,575
	5,803,298	5,766,368
Key management personnel remuneration	354,368	352,566

None of the directors received any remuneration or expenses during the year (2025: Nil).
The disclosures with regard to key management personnel include senior medical staff.

The number of employees whose employee benefits fell within the following bands are as follows:

	2026	2025
£140,001 - £150,000	1	1
£130,001 - £140,000	-	-
£120,001 - £130,000	-	-
£110,001 - £120,000	-	-
£100,001 - £110,000	1	1
£90,001 - £100,000	-	-
£80,001 - £90,000	2	-
£70,001 - £80,000	1	2
£60,001 - £70,000	2	-
	No.	**No.**
The average weekly number of persons, by headcount, employed by the charity during the year was:	191	185

14. Net income/(expenditure) for the year - Group

This is stated after charging:	2026 £	2025 £
Depreciation and impairment	490,825	711,529
External auditors' remuneration	13,086	11,275
Other services		
Subsidiary audit fee	657	1,290
Subsidiary Independent examination	-	965

15a. Tangible Fixed Assets – Group

	Heritable Property	Equipment & Vehicles	New Hospice	Total
	£	£	£	£
Cost or valuation				
At 1 April 2025	634,510	1,525,435	18,947,525	21,107,470
Additions	112,638	127,061	-	239,699
Disposals	-	(54,259)	-	(54,259)
Impairment/Reclassification	-	-	-	-
At 31 March 2026	747,148	1,598,237	18,947,525	21,292,910
Depreciation				
At 1 April 2025	143,362	1,283,183	726,828	2,153,373
Charge for the year	18,602	108,808	363,414	490,824
Eliminated on disposals	-	(50,902)	-	(50,902)
At 31 March 2026	161,964	1,341,089	1,090,242	2,593,295
Net book value				
At 31 March 2026	585,184	257,148	17,857,283	18,699,615
At 31 March 2025	491,147	242,252	18,220,697	18,954,096

15b. Tangible Fixed Assets - Charity

	Heritable Property	Equipment & Vehicles	New Hospice	Total
	£	£	£	£
Cost or valuation				
At 1 April 2025	634,510	1,525,435	18,947,525	21,107,470
Additions	112,638	127,061	-	239,699
Disposals	-	(54,259)	-	(54,259)
Impairment/Reclassification	-	-	-	-
At 31 March 2026	747,148	1,598,237	18,947,525	21,292,910
Depreciation				
At 1 April 2025	143,362	1,283,183	726,828	2,153,373
Charge for the year	18,602	108,808	363,414	490,824
Eliminated on disposals	-	(50,902)	-	(50,902)
At 31 March 2026	161,964	1,341,089	1,090,242	2,593,295
Net book value				
At 31 March 2026	585,184	257,148	17,857,283	18,699,615
At 31 March 2025	491,147	242,252	18,220,697	18,954,096

16. Fixed Asset Investments

Group	Consolidated £
Market Value	
At 1 April 2025	6,429,690
Additions	1,266,442
Disposals	(2,117,132)
Revaluation	290,001
At 31 March 2026	5,869,001
At 31 March 2025	6,429,690

Charity	Listed £	Unlisted £	Total £
Market Value			
At 1 April 2025	6,429,690	1,001	6,430,691
Additions	1,266,442	-	1,266,442
Disposals	(2,117,132)	(1)	(2,117,133)
Revaluation	290,001	-	290,001
At 31 March 2026	5,869,001	1,000	5,870,001
At 31 March 2025	6,429,690	1,001	6,430,691

There were no investment assets outside of the UK.
There were no investments held in individual entities at 31 March 2026 which were over 5% of the portfolio.
The listed investments have a historical cost of £5,069,817 (2025: £5,848,030).

The group's investments at the balance sheet date in the share capital of companies include the following:

Hospice Enterprises Limited (SC162781)
Registered office: 20 Dumbreck Road, Glasgow, Scotland, G41 5BW
Shareholding: 100%

	2026 £	2025 £
Aggregate capital and reserves	1,000	1,000
Profit/loss for year	136,201	146,392

Hospice Developments Limited (SC410619)
Registered office: 20 Dumbreck Road, Glasgow, Scotland, G41 5BW
Shareholding: 100%

	2026 £	2025 £
Aggregate capital and reserves	-	1

17. Debtors

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Event income receivable	44,266	44,266	75,967	75,967
Income tax recoverable	179,871	179,871	151,205	151,205
Other debtors and prepayments	430,816	424,389	513,620	439,498
Hospice Enterprises Limited		20,072	-	213,856
	654,953	668,597	740,792	880,525

18. Creditors: amounts falling due within one year

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Sundry creditors & accrued charges	448,522	417,447	420,341	360,877
Deferred Income	793,205	793,205	161,397	161,397
Taxation and social security	133,134	133,134	101,595	101,595
Hospice Enterprises Limited	-	-	-	-
	1,374,861	1,343,786	683,333	623,868

Deferred Income comprises:

	Total
	£
At 1 April 2025	161,397
Released to Income	(161,397)
Received and deferred	793,205
At 31 March 2026	793,205

19a. Analysis of charitable funds - Group

Analysis of Fund Movements	As at 1 April 2025	Income	Expenditure	Transfer	Gains/ (Losses)	As at 31 March 2026
	£	£	£	£	£	£
Unrestricted Funds:						
Fixed Assets	18,954,096	-	-	(254,481)	-	18,699,615
Retail Warehouse	1,247,965	-	-	401,137	-	1,649,102
Young Adults' Service	295,830	-	(166,838)	-	-	128,992
Other service developments	193,043	-	-	-	-	193,043
Total designated funds	20,690,934	-	(166,838)	146,656	-	20,670,751
General funds	6,810,975	9,323,734	(9,679,816)	(132,880)	405,398	6,727,410
Total Unrestricted funds	27,501,909	9,323,734	(9,846,655)	13,776	405,398	27,398,162
Restricted funds						
General funds	229,563	181,570	(148,994)	(13,776)	-	248,363
Total restricted funds	229,563	181,570	(148,994)	(13,776)	-	248,363
TOTAL FUNDS	27,731,472	9,505,304	(9,995,649)	-	405,398	27,646,525

19a. Analysis of charitable funds – Group (continued)

Analysis of Fund Movements	As at 1 April 2024	Income	Expenditure	Transfer	Gains/ (Losses)	As at 31 March 2025
	£	£	£	£	£	£
Unrestricted Funds:						
Fixed Assets	19,427,932	-	-	(473,836)	-	18,954,096
Digital Transformation	105,185	-	(105,185)	-	-	-
Social Enterprise	105,000	-	-	(105,000)	-	-
Retail Warehouse	1,269,390	-	-	(21,425)	-	1,247,965
Young Adults' Service	366,350	53,710	(124,230)	-	-	295,830
Other service developments	88,043	-	-	105,000	-	193,043
Total designated funds	21,361,900	53,710	(229,415)	(495,261)	-	20,690,934
General funds	6,038,188	9,638,593	(9,429,558)	520,595	43,158	6,810,975
Total Unrestricted funds	27,400,088	9,692,303	(9,658,973)	25,334	43,158	27,501,909
Restricted funds						
General funds	269,227	120,393	(134,724)	(25,334)	-	229,563
Total restricted funds	269,227	120,393	(134,724)	(25,334)	-	229,563
TOTAL FUNDS	27,669,315	9,812,696	(9,793,697)	-	43,158	27,731,472

19b. Reserve Policies and Analysis

The Directors' policies for reserve retention reflect the difficult income generation environment we are facing as a result of the current economic conditions. We have seen more challenge in our ability to raise funds through fundraising events as the cost of living crisis reduces how much free cash our supporters have available.

Fund accounting

Restricted funds are subject to restrictions on their expenditure imposed by the donor or grantor or through the terms of an appeal.

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Hospice. Designated funds are unrestricted funds earmarked by the Directors for particular purposes.

Restricted Funds

General Funds

As explained below, the Hospice receives funding from a variety of sources which is provided under specific requirements related to its expenditure, whether capital or revenue. When such funding has been received in advance of the related expenditure, the resulting reserves are categorised as Restricted Reserves.

- A balance of £103,954 was brought forward from 2024-25 to be spent on the cost of service and equipment improvements. We also received further grants totalling £24,267 during 2025-26. Of these funds, £37,993 was spent, leaving a balance of £90,228 to be carried forward to the coming financial year.
- A balance of £42,619 was brought forward from 2024-25, and an additional £25,333 was received during 2025-26, to continue developing the work of the befriending service. During the year, £30,458 was spent leaving a balance of £37,494 to be carried forward to the coming financial year.
- A balance of £38,330 was brought forward from 2024-25 for the Music Therapy Project. The three year project's primary objective is to provide young adults with life-limiting conditions, creative avenues for nonverbal communication, self-expression, and human connection. The aim is to actualise music therapy's possibilities across diagnoses to build confidence, coping skills, purpose, and community, developing enriching programs tailored to each patient's interests, abilities, and needs. £19,000 additional income was received in 2025-26 to support the project, with £15,087 being spent in the year. A balance of £42,243 will be carried forward to 2026-27.
- A legacy was received in 2023-24 which will be used to create a Market Garden in the grounds of the Hospice. Work began in 2024-25 with £4,285 being spent in 2025-26. £30,924 is remaining for further development in 2026-27.
- At a number of fundraising events throughout the last couple of years, appeals for funding to support counselling sessions took place, raising £27,300 in 2023-24, and a further £13,065 in 2024-25. The remaining balance of £9,451 carried forward from last year was spent in the year.

Unrestricted Funds - Designated Funds

Retail Warehouse

In 2023–24, the Hospice purchased a warehouse to support more effective stock management of donated goods across our charity shops. During 2024–25, we worked closely with project managers on the planning, design and refurbishment. Planning applications and building warrants were submitted in 2025–26, with completion now anticipated in early 2027.
Our vision is for the Hub to serve not only as a storage and central sorting facility, but also as a community asset where donated items can be upcycled and recycled, furniture sold, house clearance services coordinated, and e-commerce operations managed. The warehouse will provide opportunities to engage local volunteers, support the circular economy, and maximise the reuse and recycling of donated goods wherever possible.
Through these activities and community connections, we aim to raise awareness of The Prince & Princess of Wales Hospice's clinical services while establishing the Hub as a sustainable and valuable source of income generation for the charity.

Young Adults' Service

As young adults with a life-limiting condition are living longer, the Hospice recognises a growing need to continue to develop the Young Adults' Service. Moving forward, the funds will enable a dedicated team to meet the increased demand required for the service. This will include a focus on regular clinical reviews for the young adult and their family at one of the 3 monthly clinics provided, which includes access to a dedicated transition clinic to support those young adults living beyond transition age.
In addition, the service will increase the variety of wellbeing and therapeutic sessions delivered that support the young adult and their family's wellbeing.

Service Development reserve

The Hospice is actively engaged in a wide range of initiatives designed to expand access to care and enhance the scope and scale of our services. While funding is typically secured for individual projects, this fund has been established to support emerging priorities and opportunities where dedicated funding is not yet in place.
By providing the flexibility to trial innovative approaches and respond to changing needs, the fund will help foster creativity, adaptability and long-term sustainability in the way we deliver care and engage with our communities. It will enable the Hospice to explore new ideas, develop services and seize opportunities that have the potential to improve outcomes for patients and families while strengthening the organisation's future resilience.

Designated Fixed Asset Reserve

The funds included in this Reserve reflect the present book value of the fixed asset facilities which are required by the Hospice to enable it to carry out or fund its charitable activities. In accounting terminology, this is stated to be the future cost of depreciation of these assets, but the main significance of the Reserve is that it represents reserves which are illiquid and are not available for expenditure on the charitable activities of the Hospice.

Other Unrestricted Funds

General Reserve

To provide security in the event of a temporary reduction in income levels, it is necessary to retain a level of General Reserves such that the Directors, service users and staff have confidence that the Hospice will be able to continue its charitable work despite any future financial challenges which may arise. In the context of the other requirements of the Hospice, explained above, the Directors have decided that a normal level of General Reserve equivalent to around 6 months of ordinary expenditure is prudent to ensure the Hospice's future viability and enable it to continue to provide an appropriate and free service to its patients. During the year, General Reserves decreased by £83,565, to £6,727,410. With the continued uncertainty around inflation rates and economic situation, the Directors consider that it is appropriate to continue carrying a higher level of General Reserve during this time.

20. Net assets over funds – group

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2026 £
Tangible Fixed assets	-	18,699,615	-	18,699,615
Fixed Asset Investments	5,869,001	-	-	5,869,001
Debtors	654,953	-	-	654,953
Stock	23,232	-	-	23,232
Bank & Cash	1,555,086	1,971,137	248,363	3,774,586
Creditors	(1,374,861)	-	-	(1,374,861)
	6,727,410	20,670,752	248,363	27,646,525

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2025 £
Tangible Fixed assets	-	18,954,096	-	18,954,096
Fixed Asset Investments	6,429,690	-	-	6,429,690
Debtors	740,792	-	-	740,792
Stock	29,148	-	-	29,148
Bank & Cash	294,677	1,736,838	229,563	2,261,077
Creditors	(683,333)	-	-	(683,333)
	6,810,974	20,690,934	229,563	27,731,472

21. Reconciliation of net income to net cash flow from operating activities

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Net income for the year	(84,947)	(84,947)	62,157	(75,006)
Adjustments for:				
Loss/(Gains) on investments	(405,398)	(405,398)	(43,158)	(43,158)
Loss/(Gains) on assets	2,857	2,857	9,465	9,465
Investment Income received	(300,281)	(436,482)	(266,197)	(412,589)
Depreciation charges	490,825	490,825	711,529	711,529
Decrease (increase) in Stock	5,915	(753)	11,546	522
Decrease (increase) in debtors	85,839	211,928	(121,858)	24,458
Increase (decrease) in creditors	691,528	719,917	(258,409)	(388,297)
Other non-cash adjustments	-	-	(50,000)	-
Net cash provided (used) by operating activities	486,339	497,946	55,075	(173,076)

22. Analysis of cash and cash equivalents

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Short term deposits	2,620,128	2,620,128	973,044	973,044
Cash at bank and in hand	1,154,458	1,128,543	1,288,033	1,114,310
Total cash and cash equivalents	3,774,586	3,748,671	2,261,077	2,087,354

23. Operating lease commitments

At the reporting end date, the group and company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2026	2025
	£	£
Within one year	240,689	277,243
Between two and five years	428,585	400,541
In over five years	-	10,364
	669,274	688,148

24. Pensions

Staff who are eligible are members of the defined benefit National Health Service Superannuation Scheme for Scotland. This is a multi-employer defined benefit scheme. The Hospice is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and hence this is accounted for as though a defined contribution scheme. The Hospice contributed 22.5% of an employee's basic salary and enhancements which will result in an annual commitment of approximately £286,306 at year-end rates and membership (2025 £270,660).

The group operates a defined contribution group personal pension plan under arrangements with an independent insurance company. The company contributed between 6% and 13.5% of an employee's basic salary, resulting in an annual commitment of £195,734 at year-end rates and membership (2025 £182,200). At the balance sheet date, there were outstanding contributions of £28,725 (2025 £26,143).

25. Judgements and Key Sources of Estimation and Uncertainty

In the application of the company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.