

REGISTERED NO. SC 068503

CHARITY REGISTRATION NO. SC 006704

**STRATHCARRON HOSPICE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026**

STRATHCARRON HOSPICE

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	PAGE
Company Information	3
Chairman and Directors' Report (incorporating the Strategic Report)	4 – 14
Independent Auditor's Report	15 – 18
Consolidated Statement of Financial Activities	19
Consolidated Balance Sheet	20
Charity Statement of Financial Activities	21
Charity Balance Sheet	22
Consolidated and Charity Statement of Cash Flows	23
Notes to the Financial Statements	24 - 50

STRATHCARRON HOSPICE

COMPANY INFORMATION

Members of the Council of Management

Mr Chris Rodger, Chair
Mrs Baljit Dhillon
Ms Nicola Rae
Mrs Lesley Wood (appointed September 2025)
Mrs Mary Pitcaithly
Mrs Margaret McMullan, Vice-Chair
Ms Julie McVicar, Treasurer
Ms Elizabeth Macleod (resigned April 2026)

Dr Leah Leitch
Mr Paul Hinds
Mr Barry Dow
Mr Thomas Blair
Ms Karyn Webster
Mr Ian Black (resigned September 2025)
Ms Clare Wallace (resigned February 2026)

Chief Executive

Ms Margaret McCarthy

Company Secretary

Ms Margaret McCarthy (appointed June 2025)
Mr William Andrew (resigned February 2026)

Registered Office

Fankerton Denny
Stirlingshire FK6
5HJ

Registered Number

SC 068503

Charity Registration Number

SC 006704

Bankers

The Royal Bank of Scotland
2 Newmarket Centre Falkirk
FK1 1JX

Solicitors

Jardine Donaldson
80 Port Street
Stirling
FK8 2LR

External Auditors

Wbg (Audit) Limited
168 Bath Street
Glasgow
G2 4TP

Stockbrokers

Evelyn Partners
130 St Vincent Street
Glasgow
G2 5SE

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT)

The Council of Management presents its report and the audited financial statements of the company for the year ended 31 March 2026. The company information sheet on the preceding page forms an integral part of this report.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Structure, Governance and Management

Strathcarron Hospice was incorporated on the 11th June 1979 as a Company Limited by Guarantee. The number of members is limited to 500. On the 31st March 2026 the Company had 145 members (2025 - 151) each of whom agreed to contribute £5 in the event of the charity winding up. It is governed by the Memorandum and Articles of Associate adopted by special resolution on 9th June 1980.

The Hospice is registered on the register of Scottish Charities and has been recognised as a charity by HM Revenue and Customs. Consequently, there is no liability to taxation on any of its income used for charitable purposes.

The Hospice is governed by the Council of Management, but the day to day running has been delegated to the Chief Executive, who is an employee, but not a Director of the Company.

The frequency of meetings of the Council of Management and Committees is detailed below.

Committee	Number of Meetings in Year
Council of Management	4
Executive Committee	1
Audit Committee	4
Fundraising Committee	4
Clinical Governance Committee	4
Building Committee	2
Investment Committee	2
Retail Committee	4

Members of the Council of Management and their interests

The members of the Council of Management at 31st March 2026 are listed on the company information sheet. All are directors of the company and comprise the Trustees of the charity. Every member of the Council of Management is a member of the company. As the company is limited by guarantee it does not have a share capital, therefore none of the members of the Council of Management hold any shares. No members of the Council of Management received any remuneration or expenses during the year or the previous year.

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT) (continued)

Recruitment and Appointment of the Council of Management

The Hospice adheres to recognised best practice in ensuring that there is a good balance of expertise within the Council of Management including individuals with clinical, fiscal, legal and legislative knowledge as well as representatives of the communities which the Hospice serves. The Executive Committee oversees the recruitment and appointment of Council Members with appropriate expertise and interests.

Council of Management Induction and Training

Prior to being appointed at the AGM new Council Members will usually have acted in a seconded capacity. An Induction Pack is provided which includes information on the roles and duties of a Council Member and Council Papers from the previous year. In addition to this, the Hospice Chief Executive meets with potential Council Members for a tour of the facilities and provides a detailed briefing on the services provided.

The make-up of the Council of Management is such that it allows the Hospice to keep up to date with relevant legislation and guidelines and the background of the Council reflects the areas of activity that are overseen by Council. Briefings are provided to the Council of Management and Committees to update them on changes on legislation or policy as required.

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT) (continued)

STRATEGIC REPORT

ACHIEVEMENTS & PERFORMANCE

The principal activity of the Company is the provision of specialist palliative care for patients in the communities of Forth Valley, Cumbernauld and Kilsyth. The Hospice provides specialist palliative care for patients with active progressive illness and provides support to their families. Care is provided free to all patients and referrals come from Health Professionals including General Practitioners and Hospital teams. In addition, people can self-refer into the Live Your Life Team. The Hospice supports the wider health community providing specialist advice and support across health and social care setting and care homes. It also provides a wide range of education and learning opportunities for Hospice staff and for professionals across Scotland and beyond.

The Hospice inpatient unit continues to operate 24 beds at high occupancy for people nearing the end of life and requiring complex care and specialist symptom management which cannot be delivered at home. The care is holistic and delivered by a multidisciplinary team. Admissions to inpatient 5% previous year and the discharge: death ratio has remained at 1:5.

The Hospice continues to support more patients in the community than in the Hospice building itself, with more than 80% of patients being cared for in community settings. This year has seen a 12% increase in community referrals from the previous year. For people in their own homes, the first line of support is through the Community Clinical Nurse Specialist team working closely with the Hospice Medical team and Primary Care. This support is supplemented by Patient & Family support (Hospice Social Work), Palliative Rehabilitation via Hospice Allied Health Professionals, Live Your Life wellbeing support and Hospice at Home nursing care which supports people to remain at home in their last days of life.

Other services include the Adult and Children Bereavement Service and the Specialist Lymphoedema clinic. Outreach work is provided by our Compassionate Communities Team and an active Education, Research and Practice Development Centre which supports development of knowledge skill and confidence in palliative care across many sectors.

Social Enterprise Businesses

Strathcarron Enterprises have 2 aims:

- Raise income for the Hospice
- Meet an identified need within our community

Creative Homecare

This year seen the service transition from a 7 day a week service to 5 days. This has allowed the service to retain and recruit staff along with meeting the referral need. This change has increased growth both in number of people using our service but a significant growth in income.

Papermill Café

This year also seen the Hospice open its first Social Enterprise café in the Bellfield Centre, Stirling.

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT) (continued)

Funding

Funding from the public sector purse continues to be approx. 33% of the Hospice's total income with the remaining 67% coming from our supporters in the communities we serve.

In 2025 the Scottish and UK Hospice sector raised the ongoing funding gap with the Scottish and UK

governments along with a significant public campaign raising awareness of the future sustainability risks of the Hospice sector. The outcome of this has led to the Scottish Government pledging £9.4M in the 2026/2027 Scottish Government budget, along with a commitment for this to be reoccurring along with an increase to retain pay parity with NHS Agenda for change pay scales for Hospice staff

Strathcarron welcomes the additional income of £9.4m from the Scottish Government and the commitment into the Scottish Hospice sector. However, the current gap between operational expenditure income is still a challenge and therefore the Hospices reliance on its community is still significant.

STRATHCARRON HOSPICE**REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT)**
(continued)**Key objectives of Strathcarron Hospice 2025-2026**

Key objective	How we plan to deliver and evaluate this
Meeting Need and the Growing Demand	• We have adapted the way we work to better respond to people's needs through working collaboratively with a greater number of health and social care colleagues, investing in developing advanced nursing roles and establishing the use of outcome measures to evaluate the impact of community services. • Through compassionate communities we have worked alongside community groups supporting people who are bereaved and deepening community connection to create communities that can care for each other through times of illness, caring, death and grief.
Opening up Access	• The Live your Life service continues to provide open access to people without a professional referral and to be supported in the right way and at a time that is right for them. • We have also focused on closer working with GPs, supported palliative care and worked collaboratively across all aspects of Health and Social care to expand or connections and reach.
Telling the Story of What We Do	• Storytelling is key to the Hospice communication strategy and our two most popular social media channels are Facebook and Instagram, followed by X, Bluesky, LinkedIn and TikTok. • In 2025 across our social media channels, Meta reach increased by 215% to 10.3m, content interactions up by 130.8% (137.8k) and visits up by 58.1% (169.2k). We have increased followers by 117.7% with 2.7k new followers in 2025. With continued focus on increasing our LinkedIn followers this year, it is up 24%. Increase in the Hospices positive media coverage, growing from 226 pieces in 2024 to 495 in 2025.
Ensuring we are Financially Strong	• The Hospice has seen a significant improvement in 2025/2026 in its income from donations, with General Donations, In Aid of and in Memoriam being particularly strong. In addition to this there were a number of successful applications for Restricted Trust Funding and Corporate Support (In Kind). • Retail income has remained steady 2025/2026 with new goods, additional pop up shops in community events and the Hospice based shop improving profit margins. Further scope exists for retail development as and when the opportunity of improved premises arises.

STRATHCARRON HOSPICE**REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT)
(continued)****Future Plans**

There is no definitive answer on when the current financial challenges will change, and so we need to look at the present time as being the 'new norm'.

For Strathcarron Hospice this means everyone from our volunteers, staff and the Council of Management will need to continue to take an active role in shaping the future of Strathcarron.

It is fair to say that the next few years will be challenging as the Hospice faces an external environment that is fast moving and continuously changing. However, the past 45 years has shown the Hospice's ability to be responsive to meet the needs of the community it serves by continually innovating services and how they are delivered.

To ensure the Hospice is equipped to meet these challenges, our 3 year strategic plan is underway in 2026.

This plan will focus on 5 key Pillars:

Pillar	Aim
Service Delivery	Create opportunities to grow our excellent care to reflect what's important to those who need and use our services
People	Utilising everyone's strengths and skills that create personal fulfilment and organisational impact
Finance	To ensure sustainability of income streams and financial performance
Digital	To continue our digital journey that enhances and empowers people to live and die well.
Maximizing Opportunities	To grow our impact and reach across local communities and our influence at a national level

Our key driver moving forward is to continue to build, grow and implement a framework for Strathcarron Hospice in a changing environment.

STRATHCARRON HOSPICE**REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT)
(continued)****Risk Management**

Strathcarron Hospice like all businesses faces a wide variety of risks. The approach to risk management is to ensure that the awareness of risk is established within the organisation as a whole and that effective systems and controls are in place to mitigate and manage the risk.

The Hospice senior management team have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances.

A Risk Register has been developed which identifies each risk, the effect, the likelihood of occurrence and the controls in place to mitigate the risk.

Further to this the Audit/Investment/Human Resources/Clinical Governance Committees along with the Council of Management review these risk regularly and where appropriate hold extra ordinary meetings and closed sessions where minutes are taken to discuss critical concerns or issues.

Key Risks Identified:

Potential Risk	Mitigation/Control
Financial Risk	- Robust financial controls and monitoring measures. - Reviewed quarterly at the Audit and Investment committee.
Clinical Risk in service delivery in the Hospice and the community	- A robust framework of policies and procedures that meet all legal and statutory requirements. - Reviewed quarterly at the Clinical Governance committee.
Workforce Risk	- A comprehensive recruitment and retention process for all grades of staff. - A robust framework that invests in staff's personal development opportunities, consistent performance, and the sense of being part of the 'bigger picture'. - A robust staff engagement process that cultivates a culture that reflects the values of the organisation and celebrates differences. - A framework of Equality, Diversity and inclusiveness that strives to ensure everyone is valued and heard. - Reviewed quarterly at the Human resource committee.
Data Protection Risk	- Robust policy and procedures are in place to guide and train staff. - Reviewed quarterly at the Audit committee.
Health and Safety Risk	- The Council of Management is aware of its responsibilities on all matters relating to health and safety. A robust framework of policies and procedures that meet all legal and statutory requirements are in place. - Reviewed quarterly at the Audit committee.
IT System Failure Risk	- Continuous review of IT systems to ensure they are robust and 'Fit for Purpose' - Reviewed quarterly at the Audit committee.

STRATHCARRON HOSPICE**REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT)
(continued)**

Compliance Risk	• Robust framework of policy and procedures that meet legal compliance and best practice. • Reviewed quarterly at the Audit committee.
Market Change. Potential changes in government policy and the need within communities	• Robust reporting to the Council of Management to assess risk and actions • Reviewed quarterly at the Council of Management meeting .

Environmental, Social, Governance (ESG)

As a registered charity, the importance of ESG has been growing. As an organisation we are already actively engaged in all three measurements and therefore Strathcarron is well placed to adopt the principles of ESG. Strathcarron recognises as an Independent charity it needs to take responsibility for the environment and the communities, we work in.

Environment

The environment and sustainability play a significant part in our core business and the organisation has commenced the journey to achieve an ISO 50001 in Energy Management.

Social

The social impact is at the heart of all Strathcarron work, and we aim to deliver the maximum impact within the communities and people we serve.

Governance

Strathcarron works in a highly regulated sector and is governed by several external regulatory bodies, ensuring effective governance across all parts of the organisation

Results for the year

The operating result for the group for the year is a surplus of £272,345 which is an increase compared with the prior year deficit of £157,416 and is after accounting for a credit of (£909,000) (2025: credit of £89,000) in relation to the service and finance costs associated with the Falkirk Council Pension Fund.

The operating result of £272,345 surplus is before taking into account the realised gains on investments of £1,191,191 compared with a gain of £226,103 in 2025. An actuarial loss was incurred on the Falkirk Council Pension Fund of £909,000 (2025: loss of £89,000. The total net movement in funds was an increase of £554,536 (2025: £20,313 increase).

The net balance sheet position in relation to the Falkirk Council Pension Fund is £nil. Whilst the actuarial valuation showed an asset of £14,492,000 at 31st March 2026, this asset has not been recognised as detailed in note 27. The surplus has increased from £10,758,000 at 31 March 2025 with associated movements recognised within the Statement of Financial Activities in 2026. These are as a result of market factors and actuarial assumptions made under the requirements of accounting standards.

The financial statements show unrestricted income funds of £16,813,086 after pension scheme assets and liabilities. This has increased from the prior year where it was £16,304,080.

The Pension Fund asset is estimated at 31 March 2026 based on actuarial assumptions and therefore is liable to fluctuate considerably in future years. The Trustees of the Hospice are satisfied that the Hospice can afford to make the ongoing contributions to the Fund on an ongoing basis and for this reason the financial statements of the Hospice have been drawn up on a going concern basis.

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT) (continued)

Going concern

The Trustees consider that there are no material uncertainties about the group's ability to continue as a going concern. The Trustees have given consideration to the going concern basis on which the financial statements are prepared in light of the pension surplus and are satisfied that the Hospice can afford to make the ongoing contributions to the Fund on an ongoing basis.

GROUP FINANCIAL REVIEW

Income generating activities

Income from all sources has increased to a level of £13.19m compared to £12.76m in 2024/25 representing an increase of 3%. Donations and legacy income has decreased by £0.36m to £3.26m, other trading activity income has increased by £0.45m to £5.08m and charitable activity income has increased by £0.36m on the prior year to £4.60m. Income from investment activities has decreased by £0.01m to £0.25m.

Fundraising activities

The main fundraising activity undertaken by the Hospice is the Lottery. The income generated in 2026 was £719,490, compared to £701,176 in the previous year and this was in line with the expectations set with the lottery providers.

Cost of Charitable activities

The costs of delivering our care services were £9.554 million (2024/25: £9.858 million) after adjusting for the impact of pension accounting.

Volunteers' in Kind donations

Strathcarron Hospice has in the region of 313 volunteers and a further 231 plus in its shops and without them the Hospice could not continue to provide such a high quality of patient care.

Investment policy

The Memorandum and Articles of Association permit the Council to invest in such stocks and shares in the UK as it considers appropriate. The Council devolves management of the portfolio to the Investment Committee and Evelyn Partners has been contracted to manage the portfolio on a discretionary basis. The policy is to adopt an income weighted, medium risk investment strategy to produce a combined growth of income and capital equating to plus 2.5% of a bespoke benchmark, based on 50% FT Gilts All Stocks and 50% FT All Share indices, measured over a 3-year period. The Council of Management reviews the policy annually and detailed management is conducted through half-yearly meetings held by the Investment Committee with the portfolio managers.

Reserves policy

The total funds at 31 March 2025 are £16,872,795 (2025: £16,318,259). These funds are split between a designated fixed asset fund of £5,806,400 (2025: £5,794,940), a renewal and repair fund of £1,000,000 (2025: £1,700,000), general funds of £10,006,686 (2025: £9,509,140) and restricted funds of £59,709 (2025: £14,179). At 31 March 2026 the charity has free reserves of £10,006,686 (2024: £9,509,140).

The restricted funds of £59,709 are held in funds restricted for specific use as described in note 22 to the accounts.

The Council of Management has established a broad policy whereby reserves will be retained at a level sufficient to provide running costs for six to nine months. At the year end, there are £10,006,686 freely available reserves held by the Hospice. The Hospice continues to make small surpluses or deficits on an ongoing basis when pension accounting is excluded. The policy is reviewed on a yearly basis to ensure that the reserves best meet the changing needs of the Hospice.

Key Management personnel and remuneration

The Council of Management consider the Chief Executive and the Senior Management Team (comprising the Director of Nursing, Director of Operations and the Medical Director of the charity) to be in charge of directing and controlling the charity and running the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year, nor any Trustee expenses reimbursed as disclosed in note 4 to the accounts. Trustees are required to disclose all relevant interests and register

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT) (continued)

them with the Chief Executive and in accordance with the Hospice's policy withdraw from decisions where a conflict of interest arises. The pay of the charity's Chief Executive is reviewed annually along with members of the Senior Management Team.

Statement of the responsibilities of the Council of Management

The Trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report (Report of the Council of Management) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 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.

STRATHCARRON HOSPICE

REPORT OF THE COUNCIL OF MANAGEMENT (INCORPORATING THE STRATEGIC REPORT) (continued)

Statement to Auditors

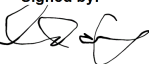
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's 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.
-

Auditors

In accordance with section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Wbg (Audit) Limited will therefore continue in office.

The Report of the Council of Management is signed on behalf of the board. The trustees also approve the Strategic Report which is contained within the Report of the Council of Management in their capacity as company directors.

Signed by:

80F981BD02D24FB...

C Rodger

Chairman of the Council of Management

Date: 31st August 2026

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF STRATHCARRON HOSPICE

Opinion

We have audited the financial statements of Strathcarron Hospice (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st March 2026 which comprise the Group and Parent Charitable Company's Statement of Financial Statements (incorporating the income and expenditure accounts), The Group and Parent Charitable Company's Balance Sheet, the Group and Parent Charitable Company's Cash Flow Statements and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31st March 2026, and of the group's and parent charitable company's incoming resources and application of resources including the group's and parent charitable company's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF STRATHCARRON HOSPICE

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 13, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor 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 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:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF STRATHCARRON HOSPICE

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations; and
- Submission of gift aid claims

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance; and
- Substantive testing of gift aid claims.

In addressing the risk of fraud as a result of management override of controls, we tested the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating rationale of any significant transactions that are unusual or outside the normal course of business. We scrutinised the general ledger for the following:

- Duplicate journal entries;
- Unbalanced journal entries;
- Journals with details which included key phrases or words;
- Journals posted at unusual times; and
- Journals posted by unauthorised users.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF STRATHCARRON HOSPICE

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/>. This description forms part of our auditor's report.

Use of our report

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

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.

Signed by:

0575527041FA406...

Claire Dalrymple FCCA (Senior Statutory Auditor)

For and on behalf of Wbg (Audit) Limited, Statutory Auditor

Wbg (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

168 Bath Street

Glasgow

G2 4TP

31st August 2026

STRATHCARRON HOSPICE **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2026**

(incorporating an income and expenditure account)

	Note	Unrestricted Funds 2026 £	Restricted Funds 2026 £	Pension Fund 2026 £	Total Funds 2026 £	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Pension Fund 2025 £	Total Funds 2025 £
Income and endowments from:									
Donations and legacies	5	3,262,934	-	-	3,262,934	3,625,849	-	-	3,625,849
Charitable activities	6	4,083,067	517,301	-	4,600,368	3,837,672	402,314	-	4,239,986
Other trading activities	7	5,078,395	-	-	5,078,395	4,632,112	-	-	4,632,112
Investments	8	248,232	-	-	248,232	259,472	-	-	259,472
Total income		12,672,628	517,301	-	13,189,929	12,355,105	402,314	-	12,757,419
Expenditure on:									
Raising funds:									
Other trading activities	10	(3,328,697)	-	-	(3,331,251)	(3,027,482)	-	-	(3,027,482)
Investment management	11	(31,935)	-	-	(31,935)	(30,632)	-	-	(30,632)
Charitable activities	12	(10,051,909)	(414,043)	909,000	(9,554,398)	(9,510,140)	(435,581)	(89,000)	(9,856,721)
Total expenditure		(13,412,541)	(414,043)	909,000	(12,917,584)	(12,568,254)	(435,581)	(89,000)	(12,914,835)
Net (expenditure)/income and net movement in funds before gains and losses on investments		(739,913)	103,258	909,000	272,345	(213,149)	(33,627)	89,000	(157,416)
Gain on investments	17	1,191,191	-	-	1,191,191	226,103	-	-	226,103
Net income/(expenditure) for the year		451,278	103,258	909,000	1,463,536	12,954	(33,627)	89,000	68,687
Transfers between funds		57,728	(57,728)	-	-	(42,021)	42,021	-	-
Actuarial (losses) on defined benefit pension schemes	27	-	-	(909,000)	(909,000)	-	-	(89,000)	(89,000)
Net movement in funds		509,006	45,530	-	554,536	(29,067)	8,754	-	(20,313)
Funds reconciliation								-	
Total funds brought forward	22	16,304,080	14,179	-	16,318,259	16,333,147	5,425	-	16,338,572
Total funds carried forward	22	16,813,086	59,709	-	16,872,795	16,304,080	14,179	-	16,318,259

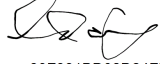
The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

STRATHCARRON HOSPICE**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026**

	Note	2026 £	2025 £
Fixed assets:			
Tangible assets	16	5,806,400	5,794,940
Investments	17	10,409,900	9,250,822
Total fixed assets		<u>16,216,300</u>	<u>15,045,762</u>
Current assets:			
Stocks	18	69,648	60,853
Debtors	19	536,005	556,504
Cash at bank and in hand	25	776,525	1,375,708
		<u>1,382,178</u>	<u>1,993,065</u>
Liabilities:			
Creditors falling due within one year	20	<u>(725,683)</u>	<u>(720,568)</u>
Net current assets		656,495	1,272,497
Net assets excluding pension deficit		<u>16,872,795</u>	<u>16,318,259</u>
Defined benefit pension scheme liability	27	-	-
Net assets including pension deficit		<u>16,872,795</u>	<u>16,318,259</u>
Funds:			
Restricted funds	22	59,709	14,179
Unrestricted funds:	22		
Designated funds		6,806,400	6,794,940
General funds		10,006,686	9,509,140
		<u>16,813,086</u>	<u>16,304,080</u>
Pension deficit		-	-
Total unrestricted funds		<u>16,813,086</u>	<u>16,304,080</u>
Total funds		<u>16,872,795</u>	<u>16,318,259</u>

These financial statements were approved and authorised for issue by the Council of Management on 31st August 2026 and signed on its behalf by:

Signed by:

80F981BD02D24FB...

Chris Rodger
Chairman of the Council of Management

Signed by:

83F7E56101C64B8...

Julie McVicar
Treasurer

Company Registration No. SC 068503

STRATHCARRON HOSPICE

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2026 (Incorporating an income and expenditure account)

	Note	Unrestricted Funds 2026 £	Restricted Funds 2026 £	Pension Funds 2026 £	Total Funds 2026 £	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Pension Funds 2025 £	Total Funds 2025 £
Income and endowments from:									
Donations and legacies	5	3,262,934	-	-	3,262,934	3,625,849	-	-	3,625,849
Charitable activities	6	4,083,067	517,301	-	4,600,368	3,837,672	402,314	-	4,239,986
Other trading activities	7	4,529,761	-	-	4,529,761	4,113,266	-	-	4,113,266
Investments	8	248,232	-	-	248,232	264,653	-	-	264,653
Total income		12,123,994	517,301	-	12,641,295	11,841,440	402,314	-	12,243,754
Expenditure on:									
Raising funds						-	-	-	
Other trading activities	10	(2,981,524)	-	-	(2,981,524)	(2,696,805)	-	-	(2,696,805)
Investment management	11	(31,935)	-	-	(31,935)	(30,632)	-	-	(30,632)
Charitable activities	12	(9,917,883)	(414,043)	909,000	(9,422,926)	(9,381,796)	(435,581)	(89,000)	(9,728,377)
Total expenditure		(12,931,342)	(414,043)	909,000	(12,436,385)	(12,109,233)	(435,581)	(89,000)	(12,455,814)
Net (expenditure)/income and net movement in funds before gains and losses on investments		(807,348)	103,258	909,000	204,910	(267,793)	(33,267)	89,000	(212,060)
Gain on investments	17	1,191,191	-	-	1,191,191	226,103	-	-	226,103
Net (expenditure)/income		383,843	103,258	909,000	1,396,101	(41,690)	(33,267)	89,000	14,043
Transfers between funds		57,728	(57,728)	-	-	(42,021)	42,021	-	-
Actuarial (losses) on defined benefit pension schemes	27	-	-	(909,000)	(909,000)	-	-	(89,000)	(89,000)
Net movement in funds		441,571	45,530	-	487,101	(83,711)	8,754	-	(74,957)
Funds reconciliation									
Total funds brought forward		16,383,529	14,179	-	16,397,708	16,467,240	5,425	-	16,472,665
Total funds carried forward		16,825,100	59,709	-	16,884,809	16,383,529	14,179	-	16,397,708

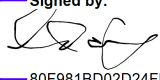
The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

STRATHCARRON HOSPICE**CHARITY BALANCE SHEET AS AT 31 MARCH 2026**

	Note	2026 £	2025 £
Fixed assets:			
Tangible assets	16	5,806,400	5,794,940
Investments	17	10,410,000	9,250,922
Total fixed assets		16,216,400	15,045,862
Current assets:			
Stocks	18	69,648	60,853
Debtors	19	542,389	636,391
Cash at bank and in hand	25	764,322	1,361,631
		1,376,359	2,058,875
Liabilities:			
Creditors falling due within one year	20	(707,950)	(707,029)
Net current assets		668,409	1,351,846
Net assets excluding pension deficit		16,884,809	16,397,708
Defined benefit pension scheme liability	27	-	-
Net assets including pension deficit		16,884,809	16,397,708
Funds:			
Restricted funds		59,709	14,179
Unrestricted funds			
Designated funds		6,806,400	6,794,940
General funds		10,018,700	9,588,589
		16,825,100	16,383,529
Pension deficit		-	-
Total unrestricted funds		16,825,100	16,383,529
Total funds		16,884,809	16,397,708

These financial statements were approved and authorised for issue by the Council of Management on 31st August 2026 and signed on its behalf by:

Signed by:

 80F981BD02D24FB...
Chris Rodger
 Chairman of the Council of Management

Signed by:

 83F7E56101C64B8...
Julie McVicar
 Treasurer

Company Registration No. SC 068503

STRATHCARRON HOSPICE**CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 MARCH 2026**

	Note	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
<i>Cash flows from operating activities:</i>					
Net cash (used in) operating activities	24	(513,341)	(511,467)	(394,357)	(405,300)
<i>Cash flows from investing activities:</i>					
Purchase of tangible fixed assets		(366,187)	(366,187)	(510,215)	(510,215)
Purchase of investments		(1,247,258)	(1,247,258)	(1,206,368)	(1,206,368)
Proceeds from the sale of investments		1,279,371	1,279,371	2,026,464	2,026,464
Interest received		9,231	9,231	14,702	19,883
Other investment income		239,001	239,001	244,770	244,770
Net cash (used in) / provided by investing activities		(85,842)	(85,842)	569,353	574,534
Change in cash and cash equivalents in the year		(599,183)	(597,309)	174,996	169,234
Cash and cash equivalents brought forward	25	1,375,708	1,361,631	1,200,712	1,192,397
Cash and cash equivalents carried forward	25	776,525	764,322	1,375,708	1,361,631

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) 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 accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 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 charity constitutes a public benefit entity as defined by FRS 102.

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 financial statements consolidate the results of the wholly owned subsidiary Creative Homecare CIC on a line by line basis.

Going concern

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

The Pension Fund liability is estimated at 31 March 2026 based on actuarial assumptions and therefore is liable to fluctuate considerably in future years. The Trustees of the Hospice are satisfied that the Hospice can afford to make the ongoing contributions to the Fund on an ongoing basis.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 22.

(c) 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.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. 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.

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. Accounting Policies (continued)

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

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.

(d) 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 accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- 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, shop costs and lottery costs;
- Investment management costs – costs associated with the management of the charity's investment portfolio.

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

(e) 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), 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.

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

(f) **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 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 13.

(g) **Tangible fixed assets and depreciation**

Heritable Property is stated at cost. Following the implementation of FRS102 'The Financial Reporting Standard applicable in UK and Republic of Ireland' the parent company adopted a policy of not revaluing tangible fixed assets. At the 1 April 2014 the carrying amounts of tangible fixed assets were uplifted to fair value which was then treated as deemed cost in line with the transitional provisions of FRS102.

A review for impairment of heritable property is carried out if events or changes in circumstances indicate that the carrying value amount of the property may not be recoverable.

All assets costing more than £5,000 are recognised and valued at historical cost. Depreciation is provided on fixed assets for the purpose of writing off each asset over its estimated useful life at the following rates:

Heritable property - 2% p.a. on a straight line basis
Equipment - 10% & 20% p.a. on a straight line basis
Assets under construction – not depreciated

(h) **Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) **Stock**

Stock is included at the lower of cost or net realisable value.

(j) **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.

(k) **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.

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

(l) 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.

(m) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

(n) Pensions

The Hospice participates in the Falkirk Council Pension Fund, a pension scheme providing benefits based on final or career average pensionable pay, on behalf of certain employees. The assets of the scheme are held separately from those of the Hospice. The Hospice accounts for its pension costs under this scheme on a defined benefit basis under Financial Reporting Standard 102 (FRS102).

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and are discounted at the rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is considered recoverable) or deficit is recognised in full. The movement in the scheme (deficit)/surplus is split between operating charges, finance items and actuarial gains and losses. As at 31st March 2026 the pension scheme is in a surplus position, however this asset has not been recognised on the balance sheet. See note 27 for further details.

(o) Operating leases

The charity classifies the lease of properties as operating leases; the title to the properties remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

(p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(q) Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

(r) 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.

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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 £5. On 31 March 2026 the charity had 145 members. The number of members is limited to 500.

3. Financial activities of the subsidiary

The wholly owned trading subsidiary "Creative Homecare" was formed as a Community Interest Company (CIC) which will operate as a subsidiary of the Hospice. This venture was incorporated on 13th September 2019. This year the subsidiary reported a profit of £63,505 (2025: profit of £54,644). The charity owns the entire share capital of 100 ordinary shares of £1.

A summary of the financial activities undertaken by the subsidiary is set out below:

	2026	2025
	£	£
Turnover	548,634	518,846
Cost of sales	<u>(323,950)</u>	<u>(303,882)</u>
Gross profit	224,684	214,964
Administration expenses	<u>(159,308)</u>	<u>(155,139)</u>
Operating profit	65,376	59,825
Interest payable	<u>(1,871)</u>	<u>(5,181)</u>
Profit for the financial year	<u><u>63,505</u></u>	<u><u>54,644</u></u>

The assets and liabilities of the subsidiary were:

Current assets	68,999	60,677
Current liabilities	<u>(80,913)</u>	<u>(140,026)</u>
Total net (liabilities)	<u>(11,914)</u>	<u>(79,349)</u>
Aggregate share capital and reserves	<u><u>(11,914)</u></u>	<u><u>(79,349)</u></u>

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****4. Related party transactions and trustees' expenses and remuneration**

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2025: £nil). It is the charity's policy to not pay expenses to Trustees.

During the year no trustee had any personal interest in any contract or transaction entered into by the charity (2025: none).

No donations were made by any of the Trustees in the year to 31 March 2026. (2025: £nil).

5. Income from donations and legacies

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Donations	1,756,670	1,756,670	1,763,680	1,763,680
Income from trusts	73,805	73,805	316,325	316,325
Legacies	879,661	879,661	1,545,844	1,545,844
Government Funding	504,922	504,922	-	-
Donations in Kind	47,876	47,876	-	-
	3,262,934	3,262,934	3,625,849	3,625,849

6. Income from charitable activities

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Public Source NHS/IJB Income	4,600,368	4,600,368	4,239,986	4,239,986
	4,600,368	4,600,368	4,239,986	4,239,986

7. Income from other trading activities

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Education and Conference Income	56,133	56,133	68,972	68,972
Events & Fundraising Income	1,371,042	1,371,042	1,203,231	1,203,231
Lottery income	719,490	719,490	701,176	701,176
Catering Income	145,199	145,199	61,281	61,281
Retail Income	2,237,897	2,237,897	2,078,606	2,078,606
Creative Homecare Income	548,634	-	518,846	-
	5,078,395	4,529,761	4,632,112	4,113,266

8. Investment income

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Dividends - equities	239,001	239,001	244,770	244,770
Interest on short term deposits	9,231	9,231	14,702	19,883
	248,232	248,232	259,472	264,653

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****9. Government grants**

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
NHS Forth Valley	3,949,351	3,949,351	3,344,899	3,344,899
NHS Lanarkshire	568,632	568,632	568,632	568,632
	<u>4,517,983</u>	<u>4,517,983</u>	<u>3,913,531</u>	<u>3,913,531</u>

10. Raising funds – expenditure on other trading activities (Group)

	Direct Costs	Support Costs	Total Group 2026
	£	£	£
Fundraising & Events costs	599,043	179,182	778,225
Education & Conference costs	278,044	-	278,044
Cost of retail activities	1,880,482	44,772	1,925,254
Creative Homecare expenditure	349,728	-	349,728
	<u>3,107,297</u>	<u>221,400</u>	<u>3,331,251</u>

	Direct Costs	Support Costs	Total Group 2025
	£	£	£
Fundraising & Events costs	492,268	160,247	652,515
Education & Conference costs	256,794	-	256,794
Cost of retail activities	1,616,140	37,831	1,653,971
Creative Homecare expenditure	464,202	-	464,202
	<u>2,829,404</u>	<u>198,078</u>	<u>3,027,482</u>

10. Raising funds – expenditure on other trading activities (Charity)

	Direct Costs	Support Costs	Total Charity 2026
	£	£	£
Fundraising & Events costs	599,043	179,183	778,226
Education & Conference costs	278,044	-	278,044
Cost of retail activities	1,880,482	44,772	1,925,254
	<u>2,757,569</u>	<u>223,955</u>	<u>2,981,524</u>

	Direct Costs	Support Costs	Total Charity 2025
	£	£	£
Fundraising & Events costs	492,268	160,202	652,470
Education & Conference costs	256,794	-	256,794
Cost of retail activities	1,749,710	37,831	1,787,541
	<u>2,498,772</u>	<u>198,033</u>	<u>2,696,805</u>

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

11. Investment management costs (Group and Charity)

	2026 £	2025 £
Investment management fees	31,935	30,632
	<u>31,935</u>	<u>30,632</u>

12. Analysis of expenditure on charitable activities (Group)

2026:

	Specialist Palliative Care £	2026 £
Care within the Hospice	7,338,306	7,338,306
Live Your Life	215,776	215,776
Home Care	1,642,579	1,642,579
Maintenance	152,195	152,195
Depreciation	348,517	348,517
Governance costs (note 13)	106,576	106,576
Support costs (note 13)	659,449	659,449
Net cost of pension finance (note 27)	(909,000)	(909,000)
	<u>9,554,398</u>	<u>9,554,398</u>

2025:

	Specialist Palliative Care £	2025 £
Care within the Hospice	6,934,893	6,934,893
Live Your Life	233,568	233,568
Home Care	1,555,555	1,555,555
Maintenance	184,273	184,273
Depreciation	315,696	315,696
Governance costs (note 13)	95,339	95,339
Support costs (note 13)	626,397	626,397
Net cost of pension finance (note 27)	(89,000)	(89,000)
	<u>9,856,721</u>	<u>9,856,721</u>

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

12. Analysis of expenditure on charitable activities (continued) (Charity)

2026:

	Specialist Palliative Care	2026
	£	£
Care within the Hospice	7,206,835	7,206,835
Live Your Life	215,776	215,776
Home Care	1,642,579	1,642,579
Maintenance	152,195	152,195
Depreciation	348,517	348,517
Governance costs (note 13)	106,576	106,576
Support costs (note 13)	659,448	659,448
Net cost of pension finance (note 27)	(909,000)	(909,000)
	<u>9,422,926</u>	<u>9,422,926</u>

2025:

	Specialist Palliative Care	2025
	£	£
Care within the Hospice	6,806,504	6,806,504
Live Your Life	233,568	233,568
Home Care	1,555,555	1,555,555
Maintenance	184,273	184,273
Depreciation	315,696	315,969
Governance costs (note 13)	95,402	95,402
Support costs (note 13)	626,379	626,379
Net cost of pension finance (note 27)	(89,000)	(89,000)
	<u>9,728,377</u>	<u>9,728,377</u>

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****13. Allocation of governance and support costs (Group)**

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

2026:

Cost type	Total allocated	Governance related	Other support costs	Basis of apportionment
	£	£	£	
Staff costs	738,465	105,968	632,497	Staff time
Travel	9,935	-	9,935	Staff time
Insurance	72,526	-	72,526	Usage
Telephone	15,712	2,357	13,355	Usage
Postage	13,751	2,063	11,688	Usage
Printing and Stationery	51,621	7,743	43,878	Usage
Professional fees	74,230	6,540	67,689	Usage
Total	976,239	124,671	851,568	

2025:

Cost type	Total allocated	Governance related	Other support costs	Basis of apportionment
	£	£	£	
Staff costs	610,781	87,530	523,251	Staff time
Travel	76,947	-	76,947	Staff time
Insurance	65,136	-	65,136	Usage
Telephone	16,168	2,425	13,743	Usage
Postage	23,992	3,599	20,393	Usage
Printing and Stationery	33,905	5,086	28,820	Usage
Professional fees	74,250	6,542	67,707	Usage
Total	901,179	105,182	795,997	

Governance costs:

	2026	2025
	£	£
Auditor's remuneration	13,740	12,785
Internal audit	-	5,850
Support costs (see above)	124,671	105,182
	138,411	123,817

Breakdown of governance and support costs by activity.

2026:

	Support costs	Governance	2026
	£	£	£
Raising funds	147,347	31,835	179,182
Charitable Activity	659,449	106,576	766,025
Cost of retail activities	44,772	-	44,772
	851,568	138,411	989,979

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****13. Allocation of governance and support costs (continued) (Group)****2025:**

	Support costs	Governance	2025
	£	£	£
Raising funds	131,769	28,478	160,247
Charitable Activity	626,397	95,339	721,736
Cost of retail activities	37,831	-	37,831
	<u>795,997</u>	<u>123,817</u>	<u>919,814</u>

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

	Group 2026	Group 2025
	£	£
Administration	577,253	482,797
Medical	936,851	1,033,386
Nursing	2,954,782	3,015,989
Paramedical & clinical support	929,294	837,884
Education	184,327	178,789
Domestic & catering	695,178	593,603
Fundraising	314,331	284,676
Hospice at Home	759,725	631,105
Retail	752,431	713,115
	<u>8,104,172</u>	<u>7,771,344</u>
Social Security costs	1,029,742	774,230
Employer's Pension costs	1,620,807	1,563,358
Pension service cost provision (note 27)	(241,000)	139,000
	<u>10,513,721</u>	<u>10,247,932</u>
	2026	2025
	£	£
Key management personnel remuneration	<u>593,344</u>	<u>531,364</u>

The disclosures with regard to key management personnel include senior medical staff.

The Charities SORP FRS102 requires disclosure of employee pension benefits associated with key management personnel. This includes the change in the net defined benefit liability arising from employee service rendered during the reporting period on an individual basis. This information requires to be obtained from professional actuaries at significant cost. It is the Council of Management's view this information is cost prohibitive, and they believe it is of little benefit to the reader and consequently the information has not been obtained or disclosed.

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****14. Analysis of staff costs and remuneration of key management personnel (continued)**

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

	2026	2025
	£	£
£60,000 - £70,000	3	2
£70,000 - £80,000	1	1
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-
£100,000 - £110,000	2	-
£110,000 - £120,000	1	2
£120,000 - £130,000	1	1
£130,000 - £140,000	1	-
£140,000 - £150,000	1	-
£150,000 - £160,000	-	1
£170,000 - £180,000	-	1

The average weekly number of persons, by headcount, employed by the charity during the year was:

2026	2025
No.	No.
333	342

15. Net income / (expenditure) for the year (Group)

This is stated after charging:

	2026	2025
	£	£
Depreciation	354,727	323,031
External auditor's remuneration	13,740	12,875
Other services		
- Subsidiary audit fee	5,085	7,542
Payments under operating leases	373,552	221,849

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****16. Tangible Fixed Assets (Group and Charity)**

	Motor Vehicles	Heritable	Fittings &	Shop	
	£	Property	Equipment	Fittings &	Total
		£	£	Equipment	£
				£	
Cost or valuation					
At 1 April 2025	-	7,067,061	1,009,642	53,111	8,129,814
Additions	44,150	-	315,322	6,715	366,187
At 31 March 2026	44,150	7,067,061	1,324,964	59,826	8,496,001
Depreciation					
At 1 April 2025	-	1,609,913	690,867	34,094	2,334,874
Charge for the year	3,322	195,734	148,152	7,519	354,727
At 31 March 2026	3,322	1,805,647	839,019	41,613	2,689,601
Net book value					
At 31 March 2026	40,828	5,261,414	485,945	18,213	5,806,400
At 31 March 2025	-	5,457,148	318,775	19,017	5,794,940

The original Heritable Property was valued by an independent valuer DVS on 10 December 2015, wherein the property was valued on an existing use basis in accordance with the RICS Professional Standards at a value of £3,986,188. The transitional provisions of FRS102 in relation to property valuations were applied and the revised valuation is taken as deemed cost.

17. Fixed Asset Investments – Group and Charity

Movement in fixed asset listed investments - Group	2026	2025
	£	£
Market value brought forward at 1 April	9,250,822	9,844,815
Add: additions to investments at cost	1,247,258	1,206,368
Disposals at carrying value	(1,261,539)	(2,004,298)
Add net gain on revaluation	1,173,359	203,937
Market value as at 31 March	10,409,900	9,250,822

Net cash released from investments in the year was £271,114 (2025: £560,624).

Investments at fair value – Group	2026	2025
Comprised:	£	£
Equities	10,215,964	9,106,230
Cash held within the investment portfolio	193,936	144,592
Total	10,409,900	9,250,822

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****17. Fixed Asset Investments (Group and Charity) (continued)**

Investments at fair value – Charity	2026	2025
Comprised:	£	£
Equities	10,215,964	9,106,230
Investment in subsidiary company, at cost	100	100
Cash held within the investment portfolio	193,936	144,592
Total	10,410,000	9,250,922

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. In terms of specific risks including foreign exchange and credit risks, the charity uses specialist investment managers to balance and limit the overall financial risk by operating a portfolio which provides a high degree of diversification of holdings within a fairly wide band of investment asset classes all of which are quoted on recognised stock exchanges. In addition, the charity does not make use of riskier derivatives or more complex financial instruments in this area. Liquidity risk is expected to be low as all assets are traded in markets with high trading volumes and not in any markets subject to exchange controls or trading restrictions. In terms of potential Brexit implications, the charity, like most other entities, is monitoring developments closely but at this stage is relatively confident that the current portfolio and future plans for it will shield it from any significant risks when that process is completed.

Unlisted investments

	2026	2025
	£	£
Company cost and net book value	100	100

Unlisted investments comprise 100% of the share capital of Creative Homecare CIC. The Community Interest Company was formed on 16th September 2019 to provide extra help to support people to live well at home. Further details are given in Note 3.

18. Stock

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Stock	69,648	69,648	60,853	60,853
	<u>69,648</u>	<u>69,648</u>	<u>60,853</u>	<u>60,853</u>

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****19. Debtors**

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Trade Debtors	89,276	56,811	115,923	84,504
Other debtors	442,799	422,498	440,581	426,055
Deferred tax asset	3,930	-	-	-
Amounts falling due after more than one year:				
Owed by subsidiary	-	63,080	-	125,832
	<u>536,005</u>	<u>542,389</u>	<u>556,504</u>	<u>636,391</u>

20. Creditors: amounts falling due within one year

	Group 2026	Charity 2026	Group 2025	Charity 2025
	£	£	£	£
Deferred income (note 21)	103,509	103,509	74,969	74,969
Sundry creditors and accruals	401,879	388,402	457,174	446,543
Taxation and social security	220,295	216,039	188,425	185,517
	<u>725,683</u>	<u>707,950</u>	<u>720,568</u>	<u>707,029</u>

21. Deferred income – Group and Charity

Deferred income is comprised as follows:

	£
Balance as at 1 April 2025	74,969
Amount released to income earned from charitable activities	(74,969)
Amount deferred in year	103,509
Balance as at 31 March 2026	<u>103,509</u>

Deferred income comprises income received towards projects taking place in the year to 31 March 2027.

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****22. Analysis of charitable funds – Group**

Analysis of Fund movements	As at 1 April 2025 £	Income £	Expenditure £	Transfers £	Gains/(Losses) £	As at 31 March 2026 £
Unrestricted Funds:						
Designated Funds:						
Fixed Assets	5,794,940	-	(354,727)	366,187	-	5,806,400
Renewal and Repair	1,000,000	-	-	-	-	1,000,000
Total designated funds	6,794,940	-	(354,727)	366,187	-	6,806,400
General funds	9,509,140	12,672,628	(12,148,814)	(308,459)	282,191	10,006,686
Total Unrestricted funds	16,304,080	12,672,628	(12,503,541)	57,728	282,191	16,813,086
Restricted funds						
Stirling & Bridge of Allan Round Table	-	1,000	-	(1,000)	-	-
Compassionate Community	-	274,429	(339,399)	64,970	-	-
Dying Matters The Game	294	1,294	-	(1,588)	-	-
Mitchell Charitable Trust	-	10,000	-	(9,880)	-	120
Craft Items	-	501	-	-	-	501
Denny & Dunipace Garden Project	-	1,000	(1,000)	-	-	-
St James Place	-	35,380	(35,380)	-	-	-
Tillicoultry Quarries	5,025	-	-	(5,025)	-	-
AHP/Physiotherapy	8,347	-	(543)	-	-	7,804
Frailty Screen Programme	513	-	(513)	-	-	-
Individual Donations to						
Lymphodema	-	750	-	-	-	750
Strathcarron Van	-	10,000	-	-	-	10,000
Foundation						
Scotland	-	9,902	-	(5,205)	-	4,697
The Albert Hunt Trust	-	24,045	-	-	-	24,045
The Hugh Fraser Foundation	-	4,000	(4,000)	-	-	-
The Wolfson Foundation	-	100,000	-	(100,000)	-	-
The Family of Thomas Grieve	-	5,000	(641)	-	-	4,359
Volunteer Database	-	40,000	(32,567)	-	-	7,433
Total restricted funds	14,179	517,301	(414,043)	(57,728)	-	59,709
TOTAL FUNDS	16,318,259	13,189,929	(12,917,584)	-	282,191	16,872,795

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****22. Analysis of charitable funds – Group (continued)**

Analysis of Fund movements	As at 1 April 2024 £	Income £	Expenditure £	Transfers £	Gains/(Losses) £	As at 31 March 2025 £
Unrestricted Funds:						
Designated Funds:						
Fixed Assets	5,607,756	-	323,031	510,215	-	5,794,940
Renewal and Repair	1,000,000	-	-	-	-	1,000,000
Total designated funds	6,607,756	-	323,031	510,215	-	6,794,940
General funds	9,725,391	12,355,105	12,156,223	(552,236)	137,103	9,509,140
Total Unrestricted funds	16,333,147	12,355,105	12,479,254	(42,021)	137,103	16,304,080
Restricted funds						
William Grant	-	1,100	1,100	-	-	-
Compassionate Community	5,425	294,482	341,928	42,021	-	-
Dying Matters The Game	-	6,777	6,483	-	-	294
Merck Bioreliance	-	2,000	2,000	-	-	-
ESJ Restaurants	-	20,000	20,000	-	-	-
M&G Charities Trust	-	5,707	5,707	-	-	-
St James Place	-	35,380	35,380	-	-	-
Tillicoultry Quarries	-	5,025	-	-	-	5,025
AHP/Physiotherapy	-	10,000	1,653	-	-	8,347
Hugh Fraser Trust	-	4,000	4,000	-	-	-
Frailty Screen Programme	-	17,843	17,330	-	-	513
Total restricted funds	5,425	402,314	435,581	42,021	-	14,179
TOTAL FUNDS	16,338,572	12,757,419	12,914,835	-	137,103	16,318,259

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

22. Analysis of charitable funds – Group (continued)

The unrestricted funds are available to be spent for any of the purposes of the charity.

Designated Funds – designation of funds is based on the overall group position. Details of the designated funds are as follows:

General Fund

This is the operating fund of the Hospice.

Fixed assets

This is a designated fund representing the unexpired depreciation on fixed assets. It is not available for direct expenditure on charitable activities.

Renewal and Repair

This is a designated fund of £1m which would be used for the purpose of site redevelopment, to enable substantial and timeous refurbishment of the site/building.

Restricted funds comprise:

Compassionate Community - Our community development work involves a number of Community projects funded by the National Lotteries Community Fund and Falkirk IJB.

Dying Matters The Game - Co-designing a board game to facilitate conversations about death and dying with older people in Cumbernauld.

Merck Bioreliance - Funding to cover the cost of two syringe pumps for the In-Patient Unit.

William Grant – Funding received to fund a recliner commode required by the rehabilitation team.

ESJ Restaurants - Funding received for a new creative arts room to allow patients to create memories for their loved ones before they die.

M & G Charities Trust - Funding to update the uniforms for the nursing staff in our In-Patient Unit.

St James Place - Funding to increase the number of Health Care Assistants on the H@H team, enabling us to support people with more intense healthcare needs who wish to die at home.

Tillicoultry Quarries - Funding received to purchase two hoists for the In-Patient Unit.

AHP/Physiotherapy – Funding to buy equipment in the Physiotherapy department.

Frailty Screening Programme - Funding in relation to identifying and supporting frail people in prisons by introducing frailty screening and management to support the ageing prison population.

Stirling & Bridge of Allan Round Table – Funding for the in patient unit.

Mitchell Charitable Trust – Funding for the impatient unit for Hoists and for community teams laptops.

Craft Items – Funding for Strathcarron's craft room which enables patient and families to make memorable craft items.

Denny & Dunipace Garden Project – Funding for gardening equipment for Strathcarron's community allotment and garden.

Individual Donations to Lymphodema – Funding to spend on Lymphodema project.

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

22. Analysis of charitable funds – Group (continued)

Strathcarron Van – Funding from West Fraser for the running costs and upkeep/modification of Strathcarron's new community van.

Foundation Scotland – Funding to enable the upgrade of the Hospice Café.

The Albert Hunt Trust – Funding to enable employment of a dietician to help with nutrition for patients.

The Hugh Fraser Foundation - Funding to enable employment of a dietician to help with nutrition for patients.

The Wolfson Foundation – Funding in relation to the upgrading on 5 in Patient Bedrooms.

The Family of Thomas Grieve – Funding donated to be spent on the in patient unit.

Volunteer Database – Funding to purchase and maintain a digital volunteer database.

The transfer of £308,459 from unrestricted general funds to designated funds represents movements in fixed assets and repairs and renewals.

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****23. Net assets over funds – Group**

As at 31 March 2026:	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2026 £
Tangible Fixed assets	-	5,806,400	-	5,806,400
Fixed Asset Investments	10,409,900	-	-	10,409,900
Stock	69,648	-	-	69,648
Debtors	536,005	-	-	536,005
Bank & Cash	(283,184)	1,000,000	59,709	776,525
Creditors	(725,683)	-	-	(725,683)
Pension Deficit	-	-	-	-
	<u>10,006,686</u>	<u>6,806,400</u>	<u>59,709</u>	<u>16,872,795</u>

As at 31 March 2025:	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2025 £
Tangible Fixed assets	-	5,794,940	-	5,794,940
Fixed Asset Investments	9,250,822	-	-	9,250,922
Stock	60,853	-	-	60,853
Debtors	556,504	-	-	556,504
Bank & Cash	361,529	1,000,000	14,179	1,375,708
Creditors	(720,568)	-	-	(720,568)
Pension Deficit	-	-	-	-
	<u>9,509,140</u>	<u>6,794,940</u>	<u>14,179</u>	<u>16,318,259</u>

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****24. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Net income/(expenditure) for the year per the statement of financial activities	1,463,536	1,396,101	68,687	14,043
Adjustments for:				-
(Gains) on investments	(1,191,191)	(1,191,191)	(226,103)	(226,103)
Investment income received	(248,232)	(248,232)	(259,472)	(264,653)
Depreciation charges	354,727	354,727	323,031	323,031
FRS 102 pension adjustment	(909,000)	(909,000)	(89,000)	(89,000)
(Increase) in stocks	(8,795)	(8,795)	(8,881)	(8,881)
Decrease / (increase) in debtors	20,499	94,002	(44,233)	3,301
Increase / (decrease) in creditors	5,115	921	(158,386)	(157,038)
Net cash (used in) operating activities	(513,341)	(511,467)	(394,357)	(405,300)

25. Analysis of cash and cash equivalents

	Group 2026 £	Charity 2026 £	Group 2025 £	Charity 2025 £
Cash at bank and in hand	776,525	764,322	1,375,708	1,361,631
Total cash and cash equivalents	776,525	764,322	1,375,708	1,361,631

26. Operating lease commitments

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

	2026 Land and Buildings £	2025 Land and Buildings £
Under 1 year	265,816	266,466
Between 2 and 5 years	606,771	691,171
Over 5 years	243,798	365,697
	1,116,385	1,323,334

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

27. Pension Commitments

The Hospice operates within the Local Government Superannuation Scheme by virtue of being permitted to participate in the Falkirk Council Pension Fund. This scheme is a defined benefit scheme on which the most recent actuarial valuation was carried out at 31 March 2026. As part of this exercise, a separate valuation has been provided for the portion of the scheme relating to the Hospice. The contributions made to the scheme during the year were £1,553,000 (2025: £1,562,000).

The employer's contributions to the Scheme are being increased annually with the object of reducing the actuarial deficit at present shown by the Scheme.

The Hospice is required to state the following details in its financial statements to comply with FRS102.

An entity shall recognise a pension surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

In addition to this guidance, consideration should be given to the following:

- The calculation of a surplus as at 31st March as part of an annual actuarial valuation does not in itself give rise to a reduction in contributions;
- If the entity's right to a refund of a surplus depends on the occurrence or non-occurrence of one or more uncertain future events not wholly within its control, the entity does not have an unconditional right and should not recognise an asset; and
- Creation of an asset for accounting purposes by undertaking an actuarial valuation does not give rise to a legal right to the asset created.

In consideration of the above, the most prudent position to be adopted in the financial statements is to recognise no asset on the Balance Sheet, irrespective of the calculation which has been undertaken by actuaries in arriving at this position. The curtailment of the asset has been adjusted against actuarial gains to limit the asset value to £nil.

The major assumptions made by the actuary in valuing the scheme are as follows:

	2026	2025
	% p. a	% p. a
Inflation/ Pension Increase Rate	7.90	2.80
Salary Increase Rate	3.40	3.30
Discount rate	6.10	5.80

Life expectancy is based on the Fund's VitaCurves assuming the current rate of improvements has peaked and will converge to a long-term rate of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	20.7 years	23.3 years
Future pensioners	21.9 years	25.2 years

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****27. Pension Commitments (Continued)**

The net available surplus was:

	2026	2025
	£'000	£'000
Estimated Employer Assets	46,970	41,990
Present Value of Scheme Liabilities	(32,478)	(31,232)
Net Pension Asset	<u>14,492</u>	<u>10,758</u>

There are no unfunded liabilities for which provision needs to be made.

FRS102 –Statement of Financial Activities disclosure:

	2026	2025
	£'000	£'000
Current service cost	(1,279)	(1,701)
Past service cost	(33)	-
	<u>(1,312)</u>	<u>(1,701)</u>
Contributions by employer	(1,553)	(1,562)
Pension service cost provision	<u>(241)</u>	<u>139</u>

Reconciliation of fair value of scheme assets:

	2026	2025
	£'000	£'000
Opening fair value of scheme assets	41,990	39,569
Expected Return on Assets	2,445	1,918
Contributions by Members	487	489
Contributions by Employer	1,553	1,562
Administration Expenses	(33)	-
Actuarial Gains/(Losses)	2,226	(348)
Estimated Benefits Paid	(1,695)	(1,200)
	<u>46,970</u>	<u>41,990</u>

Reconciliation of defined benefit obligation:

	2026	2025
	£'000	£'000
Opening defined benefit obligation	31,232	34,751
Current Service Cost	1,229	1,701
Past Service Cost	-	-
Interest Cost	1,777	1,690
Contributions by Members	487	489
Other experience	238	(354)
Actuarial Losses/(Gains)	(837)	(5,845)
Estimated Benefits Paid	(1,698)	(1,200)
	<u>32,478</u>	<u>31,232</u>

STRATHCARRON HOSPICE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026****27. Pension Commitments (Continued)****History of experience gains and losses for the years ended 31 March:**

	2026	2025	2024	2023	2022
		£'000	£'000	£'000	£'000
Scheme Assets	46,970	41,990	39,569	37,079	35,779
Defined benefit obligation	(32,478)	(31,232)	(34,751)	(30,690)	(43,163)
Surplus/(Deficit)	<u>14,492</u>	<u>10,758</u>	<u>4,818</u>	<u>6,389</u>	<u>(7,384)</u>
Experience adjustments on scheme assets	2,226	(348)	(97)	(662)	3,455
Experience adjustments on scheme liabilities	599	6,199	1,961	(16,196)	(3,341)

Analysis of the amount charged to staff costs (Note 14):

	2026	2025
	£'000	£'000
Current Service costs	(1,279)	(1,701)
Past service cost	(33)	-
Total operating charge	<u>(1,312)</u>	<u>(1,701)</u>
Less: contributions paid	<u>(1,533)</u>	<u>(1,562)</u>
Current service cost provision	<u>(241)</u>	<u>139</u>

Amount charged to operating costs (Note 12):

Expected Return on Employer Assets	(2,445)	(1,918)
Interest on Pension Scheme Liabilities	<u>1,777</u>	<u>1,690</u>
Net cost of financing and assets	<u>(665)</u>	<u>(228)</u>

Analysis of the amount recognised in the Statement of Financial Activities

	2026	2025
	£'000	£'000
Changes in value of scheme assets: Actuarial gains/(loss)	2,226	(348)
Changes in defined benefit obligations: Actuarial gains	599	6,199
Adjust actuarial gain to show £nil asset value	(3,734)	(5,940)
Actuarial (losses)/gains recognised in SOFA	<u>(909)</u>	<u>(89)</u>

Movement in deficit during the year:

Surplus at beginning of the year	10,758	4,818
Movement in year:		
Current Service Cost	(1,279)	(1,701)
Past Service Cost	(33)	-
Employer contributions	1,553	1,562
Net return on financing and assets	668	228
Actuarial (losses)/gains	2,825	5,851
Adjust actuarial gain to show £nil asset value	<u>(14,492)</u>	<u>(10,758)</u>
Surplus at end of year	<u>-</u>	<u>-</u>

The estimated employer's contributions for the year to 31 March 2026 will be approximately £1,547,000.

STRATHCARRON HOSPICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

28. Judgements and key sources of estimation and uncertainty

In the application of the company's accounting policies, the Trustees 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 periods.

Depreciation

Fixed assets are depreciated over the useful life of assets. The useful life of the fixed assets are based on the knowledge of senior management, with reference to the assets expected useful life.

Pension liability

The determination of any pension scheme surplus or deficit is based on assumptions determined with independent actuarial advice. The assumptions used to include discount rate, inflation, pension increases, salary increases, the expected return on scheme assets and mortality assumptions. These assumptions will vary from year to year, as will the value of assets, and will be dependant on circumstances at the date of valuation. Refer to note 27 for details of pension commitments.

Allocation of expenditure between activities

Support costs are allocated between charitable activities and governance based on the time spent by senior management on undertaking the charity's activities.

Leases

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

STRATHCARRON HOSPICE**FIVE YEAR SUMMARY OF FINANCIAL STATEMENTS****CONSOLIDATED INCOME AND EXPENDITURE FINANCIAL STATEMENTS**

The following pages do not form part of the statutory financial statements.

	2026 £	2025 £	2024 £	2023 £	2022 £
Income:					
Public source income	5,105,290	4,239,986	4,283,838	3,578,528	5,282,094
Voluntary source income	2,743,040	2,842,462	2,508,755	2,371,607	2,246,445
Legacies	879,661	1,545,844	1,650,366	1,212,465	1,117,942
Fundraising	1,371,042	1,203,231	1,125,251	1,025,671	877,770
Education	56,133	68,972	70,952	57,949	23,746
Other income	-	-	-	-	19,849
Creative Homecare income	548,634	518,846	441,808	352,223	315,682
Shop Sales	2,237,897	2,078,606	2,036,792	1,722,159	1,306,583
	12,941,697	12,497,947	12,117,762	10,320,602	11,190,111
Investment income	248,232	259,472	280,664	242,731	210,602
Total income	13,189,929	12,757,419	12,398,426	10,563,333	11,400,713
Expenditure:					
Operating costs:					
Care within hospice	7,206,835	6,857,173	6,606,617	5,903,474	5,527,952
Live Your Life	215,776	233,568	216,410	210,593	189,142
Home care	1,642,579	1,555,555	1,606,487	1,571,536	1,503,249
Education	278,044	256,794	265,264	220,617	195,215
Other Hospice support	18,255	17,457	24,591	38,945	23,977
Fundraising	599,043	492,268	465,785	417,939	332,523
Catering	105,968	87,530	77,196	69,412	76,500
Depreciation	348,517	315,696	293,636	281,427	264,348
Periodic maintenance	152,195	184,273	124,254	77,565	99,128
Creative Homecare expenditure	481,199	464,202	422,910	313,354	292,394
Shop expenses	1,880,482	1,714,710	1,541,614	1,317,555	1,139,964
	12,928,893	12,179,226	11,644,764	10,423,417	9,644,392
Operating costs pre pension	1,312,000	1,701,000	1,529,000	1,542,000	1,782,000
Pension service cost provision	(2,221,000)	(1,790,000)	(2,016,000)	219,000	274,000
Net return on pension finance	12,019,893	12,090,226	11,157,764	12,184,417	11,700,392
Administrative expenses:					
Salaries	632,497	523,251	458,097	420,595	381,462
Travel	9,935	76,947	90,437	112,747	92,212
Insurance	72,526	65,136	60,881	46,602	36,540
Telephone	13,355	13,143	21,663	23,390	27,129
Postage	11,688	20,393	21,166	16,567	19,124
Printing & Stationery	43,878	28,820	26,930	26,640	22,828
Professional fees	81,877	65,687	70,270	61,261	46,370
	865,756	793,977	749,444	707,802	625,665
Investment management fees	31,935	30,632	29,724	30,549	33,187
Total expenditure	12,917,584	12,914,835	11,936,932	12,922,768	12,359,244
Net incoming/(outgoing)	272,345	(157,416)	461,494	(2,359,435)	(958,531)
Resources					
Gains on Investments	1,191,191	226,103	335,356	(538,477)	335,279
Surplus/(deficit) for year	1,463,536	68,687	796,850	(2,897,912)	(623,252)
Actuarial (losses)/gains on pension	(909,000)	(89,000)	(487,000)	9,145,000	6,796,000
	554,536	20,313	309,850	6,247,088	6,172,748

STRATHCARRON HOSPICE**FIVE YEAR SUMMARY OF FINANCIAL STATEMENTS****CONSOLIDATED BALANCE SHEET**

	2026 £	2025 £	2024 £	2023 £	2022 £
Fixed assets:					
Tangible assets	5,806,400	5,794,940	5,607,756	4,988,808	3,912,708
Investments	10,409,900	9,250,822	9,844,815	10,246,502	10,794,071
	16,216,300	15,045,762	15,452,571	15,235,310	14,706,779
Current assets:					
Stock	69,648	60,853	51,972	65,595	50,900
Debtors	536,005	556,504	512,271	639,793	378,184
Cash at bank and on hand	776,525	1,375,708	1,200,712	1,061,937	2,663,567
	1,382,178	1,993,065	1,764,955	1,767,325	3,112,651
Current liabilities:					
Bank loan and overdraft	-	-	-	-	-
Sundry creditors and accruals	505,388	532,143	704,697	816,071	502,093
Taxes & Social Security	220,295	188,425	174,257	157,842	151,704
	725,683	720,568	878,954	973,913	653,796
Net current assets	656,495	1,272,497	886,001	793,412	2,458,855
Total assets less current liabilities	16,872,795	16,318,259	16,338,572	16,028,722	17,165,634
Provision Defined benefit pension scheme liability	-	-	-	-	(7,384,000)
Net assets	16,872,795	16,318,259	16,338,572	16,028,722	9,781,634
Accumulated funds					
Restricted income funds	59,709	14,179	5,425	28,122	29,589
Unrestricted income funds:					
Designated fixed asset fund	5,806,400	5,794,940	5,607,756	4,988,808	3,912,708
Designated renewal & repair fund	1,000,000	1,000,000	1,000,000	1,700,000	1,700,000
General funds	10,006,686	9,509,140	9,725,391	9,311,792	4,139,337
Total unrestricted funds	16,813,086	16,304,080	16,333,147	16,000,600	9,752,045
Total funds	16,872,795	16,318,259	16,338,572	16,028,722	9,781,634