Year in Review
2025-2026



St Margaret's Hospice Care

Registered charity number: 279473
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Welcome from Tom Samuel, Chair of Trustees

This year's Annual Report reflects both the scale of challenge facing the hospice sector and the considered, disciplined response of St Margaret's to those challenges. Demand for palliative and end-of-life care continues to rise significantly, driven by an ageing population and increasing complexity of need. At the same time, the financial environment remains uncertain, with continued pressure on statutory funding and rising costs across all areas of delivery.

In this context, the role of the Board is clear: to ensure that St Margaret's remains a well-governed, financially sustainable organisation capable of delivering high-quality care both now and in the future. I am pleased to report that, over the past year, the hospice has strengthened its governance arrangements, embedded the findings of an external governance review, and transitioned to a foundation model that clarifies accountability and supports effective decision-making.

This has also been a year of leadership transition. On behalf of the Board, I would like to acknowledge the contribution of those who have supported the organisation through this period, and to recognise Joanna Hall's appointment as Chief Executive. Under her leadership, the organisation has begun to embed its five-year strategy, *Time to Care: Now & Always*, providing a clear framework for aligning resources, managing risk and delivering sustainable impact.

Financial sustainability remains one of the most significant challenges facing the hospice. While the organisation has reported a positive financial position this year, this reflects a combination of underlying operational performance and one-off factors, including capital funding and legacy income, which underline the inherent volatility of our funding model. The majority of hospice income continues to be generated through charitable sources, requiring sustained effort across fundraising, retail and partnerships to bridge the gap between statutory funding and the true cost of care.

In response, the organisation has taken a proactive and disciplined approach to financial management. This includes targeted efficiency measures, reduced reliance on agency staffing, strengthened procurement, and continued investment in areas that will support long-term sustainability, including digital systems, workforce development and estate improvements. Alongside this, the Board maintains a risk-based reserves policy and robust oversight of financial performance, ensuring resilience against both short-term volatility and longer-term uncertainty.

Operationally, the hospice continues to deliver significant impact across Somerset, supporting thousands of patients and families, with most of the support delivered in community settings. This reflects both the strength of the organisation and its alignment with wider system priorities to deliver care closer to home.

None of this would be possible without the extraordinary dedication of our staff and volunteers, and the generosity of our supporters and partners. On behalf of the Board of Trustees, I offer my sincere thanks to everyone who contributes to the work of St Margaret's – you continue to amaze us.



Tom Samuel
Chair of Trustees
Retired as of Sept 2026



Introduction from Joanna Hall, CEO

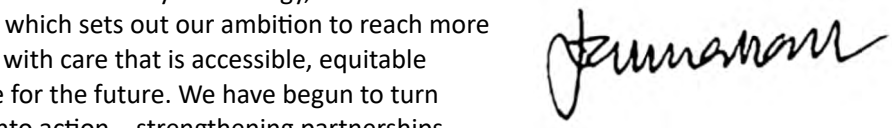
"Time to care" remains a simple phrase, but the context in which we deliver it has never been more complex. Demand for palliative and end-of-life care continues to grow, people's needs are becoming more complex, and hospices across the UK are working within an increasingly challenging financial and operating environment.

At St Margaret's, we are not immune to these pressures. Yet, what I have seen throughout this year is a remarkable organisation responding with clarity, purpose and ambition. In my first months as Chief Executive, it has been a privilege to witness the dedication of our staff and volunteers, whose commitment ensures that every person we support is seen as an individual, not just a diagnosis.

It's been a year of significant progress and important transition. Alongside changes in leadership, we have continued to embed our five-year strategy, *Time to Care: Now & Always*, which sets out our ambition to reach more people, earlier, with care that is accessible, equitable and sustainable for the future. We have begun to turn that ambition into action – strengthening partnerships, expanding access, and continuing to improve the quality and coordination of the care we provide.

In the pages that follow, you will see how this is reflected in our work across the year – from enhancing clinical services and developing our workforce, to raising awareness of hospice care and stewarding our resources responsibly. You will also see the real impact of that work through the experiences of patients and families, and the difference compassionate, holistic care can make at the most important time in someone's life.

My sincere thanks go to our staff, volunteers, partners and supporters. It is through their commitment, generosity and shared purpose that we can continue delivering outstanding care to people across Somerset. And as we look ahead, we remain focused on ensuring that everyone who needs hospice care can access it, when and where they need it – with the time, dignity and support that every person deserves.



Joanna Hall
CEO



Who is St Margaret's?



St Margaret's Hospice Care (St Margaret's) is an independent charity in Somerset that supports adults of all ages living with a life-limiting illness and those who need end-of-life care.

For more than four decades, we have been part of the Somerset community, providing compassionate, specialist palliative care, free of charge, to patients and their families when they need it most.

> *"St Margaret's Hospice is an amazing place where the staff support the whole family. Although being there is as a result of a very sad situation I found it to be welcoming and uplifting"*

Our Values

At St Margaret's, hospice care begins with understanding each person and tailoring support to their individual needs. That means combining excellent multi-disciplinary care with practical, emotional, social and spiritual support. Our values reflect this approach and guide everything we do.

Compassionate
– always caring

Collaborative
– working together

Ambitious
– striving for better

Our Hospice

Operating from two hospice hubs in Yeovil and Taunton, with outreach teams in Minehead, Bridgwater, South Petherton, Wincanton and Glastonbury, we deliver care through a flexible, multi-hub model. This includes a specialist 12-bed In-Patient Unit (IPU), Community Nursing services, and day hospice care through our two Sunflower Centres. Our Central Referral Centre (CRC) and 24-hour Advice Line provide countywide telephone support, while our outpatient and outreach services offer physical and psychological therapies, spiritual care, and complementary therapy. We also provide bereavement support for people of all ages and deliver Somerset's Lymphoedema Service from our hospice hubs. Working closely with Somerset Foundation Trust, GP practices, district nurses, community hospitals and care homes, we provide 95% of our care through our outpatient services, in our day centres, people's homes, and across the wider community.

Our teams also play an active role in developing the wider health and care workforce. We provide placements for a broad range of professionals, including student nurses and medical students, with up to 20 placements taking place at any one time. In addition, we support GPs and medical consultants and have developed a wide range of training resources for patients, families and other healthcare providers. This helps strengthen understanding of both the physical and emotional needs of patients and carers, extending our impact beyond the care we deliver directly and supporting high-quality end-of-life care across other settings.

St Margaret's does not work in isolation; our strength lies in collaboration and partnership. We work alongside a wide range of organisations, including Somerset NHS Foundation Trust (incorporating Musgrove Park Hospital, Yeovil District Hospital, and community and mental health services, including district nursing), Somerset NHS Integrated Care Board (ICB), Marie Curie Cancer Care, Somerset Council Adult Social Services, Somerset Western Ambulance Service, and care homes across the county. St Margaret's is also a member of Hospice UK, the national charity and campaigning voice for hospices and end-of-life care.

Delivering Public Benefit

Our services are provided free of charge to anyone in Somerset who may benefit from them, regardless of background, faith, culture, personal identity or where they live in the county. We believe compassionate, high-quality care should be available to all, and we work hard to ensure our support reaches every person and family who needs it. That commitment extends beyond our patients to those closest to them, including partners, children, relatives, friends and carers, before death, at the time of death and throughout bereavement. The Trustees are satisfied that the charity's activities continue to advance its charitable purposes for the public benefit.

Our Vision is of a future where we have sustainable, high-quality, end-of-life care that is accessible, tailored and available earlier, so more people in Somerset can live well and die well.

Our Mission at St Margaret's will be to deliver holistic and compassionate hospice care, so that we can help empower more people who have progressive life-limiting illnesses to live fully and die with dignity.

Our New Strategy

Coinciding with our 45th anniversary, we launched a new five-year strategic plan in April 2025. Rooted in our long-standing commitment to outstanding hospice care, this strategy will guide us while helping us respond to the changing needs of communities across Somerset. Against a backdrop of an ageing population and rising levels of complex illness, we recognised the need to adapt with clarity, resilience and purpose. We also needed to prepare for changes in Somerset's broader health and care system, alongside a National Health Service responding to its own challenges through a new 10-year plan. Just as importantly, we knew our ambitions had to be realistic, properly resourced and financially sustainable.

Time to Care – Now & Always, sets our vision, reaffirms our values, and gives us a clear set of strategic priorities and five-year goals. Together, these provide a framework against which we can hold ourselves to account and measure our progress and success. When we launched the strategy, we said that three principles would underpin everything we did as a hospice. We knew that we needed to:

- **Raise Our Voice** – championing the role of hospice care across health and social care, promoting earlier and fairer access, and challenging outdated perceptions.
- **Enhance Our Care** – improving our clinical offer through earlier intervention, better responsiveness and stronger system integration.
- **Steward Our Resources** – managing our finances, people, technology and infrastructure proactively and transparently to support our mission and future sustainability.

Using these three core principles St Margaret's has worked hard across the last twelve months to roll out plans, engaging with staff, volunteers, partners and our wider community to share our vision with clarity of purpose, encouraging collaboration so that we can achieve ambitious change for Somerset.



In our first year, we also developed six strategic goals, which translate our ambition into clear priorities, supported by outcomes and measures of success so progress can be tracked meaningfully over time. They also provide a common thread across the organisation, ensuring that each team and each role can see its place within the bigger picture. Together, we will…

1. **Understand and respond to unmet need**
2. **Increase early access to hospice care**
3. **Strengthen system-wide partnerships and influence**
4. **Build a high performing workforce and organisational culture**
5. **Build long term financial resilience**
6. **Increase time to care through operational excellence**

Our Strategy in Context

Responding to Growing Need
Demand for palliative and end-of-life care continues to grow rapidly. Each year more than 600,000 people die across the UK, and as many as 90% could benefit from receiving palliative care. By 2040, there will be around 130,000 more deaths annually, with overall need for care rising by at least 25%.

This increase reflects an ageing population and rising complexity of need, with more people living longer with multiple long-term conditions such as dementia, heart and respiratory disease. At the same time, national evidence highlights significant gaps in access, coordination and workforce capacity, with too many people unable to receive the care and support they need at the end of life.

For St Margaret's, this context reinforces the central ambition of our five-year strategy, to ensure more people in Somerset who need palliative and end-of-life care can access it, earlier and more equitably, regardless of diagnosis or circumstance.

An Ageing and Rural Population
Somerset's demographic profile intensifies these challenges. The county has a population of approximately 588,000, with around 25% aged 65 and over – significantly above the national average. This proportion is expected to grow further, with around one third of residents projected to be over 65 by 2040.

Alongside this, Somerset's largely rural geography creates additional barriers to access, including transport limitations, workforce distribution challenges and digital exclusion. Our response, aligned to our strategy, is to strengthen community-based care and reach people where they are, reducing inequity caused by geography and ensuring consistent access across the county.

Improving Equity of Access
Across the UK, hospice services are still more often accessed by people with cancer, while those with conditions such as dementia, frailty or organ failure potentially less likely to receive specialist support and access the services provided by hospice care. Our strategy commits us to broadening access across all diagnoses and population groups, ensuring care is based on need rather than condition, and that we better understand and respond to unmet need. We are also focused on delivering care that reflects the diversity of our communities, ensuring our services are inclusive, culturally sensitive and responsive to individual circumstances.

Delivering Care Closer to Home
National policy and evidence continue to highlight the need to shift care away from hospitals and into communities. In 2023, 42.8% of deaths in England still occurred in hospital, despite many people expressing a preference to die elsewhere. This is reflected in funding patterns: around 81% of NHS expenditure on end-of-life care is directed to hospital services, compared to just 11% in community care and less than 4% in hospice care. This imbalance does not reflect what people need or want.

St Margaret's can play a vital role in addressing this, supporting people to remain at home wherever possible, preventing avoidable hospital admissions, and enabling timely discharge. Through our hospice sites and community teams, we are helping to deliver the shift towards integrated, neighbourhood-based care, which is central to our new strategy.

Partnership and System Leadership

Hospices are essential partners within the health and care system, yet the sector continues to face significant structural challenges. Hospices receive only around one third of their funding from statutory sources, with the remainder reliant on charitable income. At the same time, rising costs and increasing demand have placed many organisations under significant financial strain, with a majority reporting deficits in recent years.

Our strategy recognises that meeting future demand cannot be achieved in isolation. We are committed to working in partnership across the system with NHS colleagues, primary care, social care and the voluntary sector, to design and deliver more coordinated, sustainable models of care. We also continue to advocate for a funding model that better reflects the essential role of hospices in delivering high-quality end-of-life care.



Our Impact in 2025/26

Key Achievements & Performance*



In total we supported 4,790 people, including end-of-life and lymphoedema patients, plus family members and carers who benefited from our wraparound care such as family support, bereavement and spiritual care.



Our Bereavement Support service offered personalised support to **173 people** this year, helping individuals and families cope with grief through one-to-one counselling and group sessions.



Community services consist of Clinical Nurse Specialists (CNS) and Multi-Disciplinary Team Assistants (MDTA). Divided into East and West, they mirror Primary Care Neighbourhoods providing care to the most complex patients within their home settings. **A total of 1,833 referrals were received resulting in 44,217 patient related activities for 1,436 people.**



Our Therapy Services, which include physiotherapy, occupational therapy, and complementary therapies such as Reiki and reflexology, supported **1,216 patients** this year. Across these services, a total of 4,972 consultations were delivered to help manage symptoms, maintain independence, and enhance wellbeing.



Our In-Patient Unit provides twelve specialist short-stay beds for patients with complex, life-limiting illnesses. **We have supported 209 admissions** over the last year with a total of **88 patients achieving discharge, 68 to their own homes (77.27%).**



Our Sunflower Centre Day Hospices provided personalised, holistic care to **246 patients**. These services offered peer connection, therapeutic support, symptom management, and emotional care in a relaxed setting, helping people live well throughout their illness.



St Margaret's Advice Line provides a 24-hour service for patients, family and healthcare professionals. There has been a total of **9,316 calls**, 32% of which have been received out of hours. Our Central Referral Centre (CRC) team are a single point of access for the hospice for direct calls and referrals coming into both our Yeovil and Taunton sites. CRC received 6,359 calls this year including 6,278 referrals across all services.



Offering spiritual care to people of any faith or belief system, can help people make sense of their diagnosis and end-of-life journey. Last year we provided spiritual support to 96 people and offered services and advice that reached hundreds more benefiting patients and their families, across a range of settings.



Our Family Support team provide dedicated emotional and practical support to families and carers alongside patients receiving end-of-life care. Over the year, **351 people** were supported through our family and carer-focused services, helping loved ones navigate uncertainty, loss, and change.

*During 2025/26 we adopted revised activity definitions, aligning reporting with our clinical data standards. Figures now reflect people who had direct contact with St Margaret's services during the reporting period and may therefore differ from those published in previous Annual Reviews. These changes provide a more consistent baseline for future reporting.

CASE STUDY

Yvonne's Story

Yvonne has lived in Somerset for most of her life and spent 25 years working as a Healthcare Assistant at Musgrove Park Hospital in Taunton. "I'm quite a people person," says Yvonne with a smile. "Working on wards and things, you're used to dealing with people of all ages, and I think I've got quite a young outlook on life. Not bad for 83!"

Yvonne was diagnosed with breast cancer four years ago and, following treatment and a mastectomy, was given the all clear. But while undergoing tests for chest pain, doctors discovered she had liver cancer.

This time, she decided not to have treatment. "I didn't want the operation because it was a massive thing, and the cancer is slow growing. If I'd been younger, I might have thought differently."

Yvonne's GP referred her to St Margaret's Sunflower Centre, but initially she wasn't convinced.

"At first, I wasn't sure at all. I thought we'd all be sitting in a sad circle at different stages of illness. But it's not like that whatsoever – it's wonderful. The minute you walk through the doors, it lifts you. It's like a big, warm hug."

Instead, Yvonne found herself trying things she had never imagined – and laughing a lot along the way.

"They've got me doing things I never thought I would do. I'm not artistic whatsoever, but we've had such fun."

"I knitted a hedgehog – it's my pride and joy. I've done tie-dyeing, decoupage… things that never would have entered my mind. I always make such a mess, but we roar with laughter. That's my speciality: making a mess!"

She has also created three memory boxes – one for her daughter and two for her granddaughters – which will become precious keepsakes for her family.

Beyond the Sunflower Centre, Yvonne has received support from across St Margaret's. She enjoys Complementary Therapy, particularly reflexology, and physiotherapists have supported her mobility following a fractured back. She has also received care from the Lymphoedema team and used the hospice's 24-hour Advice Line.

At home, equipment including a walker, bathroom seat and TENS machine has helped her remain comfortable and independent. "Nothing's too much trouble."

"It doesn't matter which part of St Margaret's you go into, you always get that warmth and that lift," says Yvonne. "It's the people that make it."

Her experience has completely changed what hospice care means to her.

"I thought hospice care was just about dying. It's actually about living."

And it is something she wishes more people understood.

"I know the word 'hospice' sounds scary, but it's nothing to be frightened about. It's something I wish more people could experience. It takes a lot of the fear out of having a life-limiting illness."

"I feel blessed, to be honest. I really do. I think I've got a guardian angel. I've always thought that. But she's working overtime at the moment!"

"If we didn't have these places, I think our whole lives would be completely different. People need to know that this service is available. The hospice is a wonderful place."





How Are We Getting On?



Highlights & Achievements

The hospice made significant progress in shaping how it will meet growing demand for care across Somerset, while continuing to challenge outdated assumptions about what hospice care is and when it can help. Outlined below are the key achievements and activities that have contributed to another successful year.

Raising Our Voice

Throughout the year, St Margaret's continued to strengthen its voice across Somerset and beyond — raising awareness of hospice care, influencing the future of palliative and end-of-life care, and building stronger connections with communities, partners and supporters. As we developed our new organisational strategy, we focused not only on the care we provide, but also on how we advocate, collaborate and lead. Through system partnerships, public engagement, education, research and improved use of data, we continued working towards a future where more people can access high-quality hospice care earlier and in ways that meet their individual needs.

Influencing Care Beyond Hospice Walls

St Margaret's continued to play an increasingly influential role within Somerset and across the wider hospice sector, helping to shape conversations around equitable, accessible and sustainable end-of-life care.

Clare Marks, our Associate Director of Nursing chaired Somerset's Last 1,000 Days Steering Group, supporting system-wide ambitions around Home First care and encouraging earlier conversations and engagement with people approaching the end of life. At the same time, our Clinical Director, Clare Barton took on the role of Chair of the South-West Hospice Clinical Directors' Forum, alongside participation in national clinical leadership meetings, ensuring that the experiences of patients, families and staff in Somerset continue to inform wider hospice and palliative care developments.

We also continued to play an active role in Somerset's voluntary, community, faith and social enterprise (VCSFE) sector, contributing to its leadership collaboration and working with partners to create a more joined-up approach to care and community support.

Within primary care, a volunteer-led GP engagement programme created new opportunities to build relationships, share learning and gather feedback directly from practices across Somerset. This work has helped us better understand unmet need, improve referral pathways and support earlier conversations around hospice care.

As part of our commitment to developing the future workforce, we increased awareness of shadowing and experiential learning opportunities on our In-Patient Unit, leading to growing interest from doctors in training and an increase in student placements by 18. By supporting learning and professional development, we are helping to build greater understanding, confidence and compassion in future healthcare professionals.

St Margaret's continued to play an active role in national conversations about the future sustainability of hospice care. Senior leaders met with Toby Porter, Chief Executive of Hospice UK, building on national connections and contributing to discussions around the challenges facing hospices across England. During the year, we were also pleased to welcome Gideon Amos MP for Taunton & Wellington, to St Margaret's. The visit provided an opportunity to demonstrate the impact of hospice care within Somerset while highlighting the growing pressures facing the sector and the importance of fair, sustainable funding.

As a proud supporter of Hospice UK's Fair Funding for Hospices campaign, we joined calls for a funding system that better reflects the vital role hospices play within health and care services.



While demand for palliative and end-of-life care continues to grow, many hospices remain heavily reliant on charitable income to fund services that support NHS priorities and help people receive care in their preferred place. Hospice UK's campaign highlights that more than half of hospices have experienced financial deficits in recent years and are facing difficult decisions about service provision at a time when need is increasing. The campaign calls for fairer and more consistent funding arrangements, greater accountability for access to palliative care, and recognition of the essential contribution hospices make within local health systems.

Through our engagement with policymakers, partners and sector leaders, we will continue to advocate for a future where high-quality hospice care is available earlier, more equitably and for everyone who needs it across Somerset.

Reaching More People Across Somerset

Throughout the year, we continued to raise awareness and improve understanding of hospice care through campaigns, communications and community engagement designed to reach more people across Somerset.

Teams took part in Dying Matters marketplace events in Yeovil and Taunton, helping to encourage more open conversations around death, dying and bereavement while increasing awareness of the support available through St Margaret's.

Four dedicated bursts of activity for our hospice awareness campaign, *Milestones to Memories* created opportunities to connect with new audiences and encourage meaningful conversations, while breaking down misconceptions of what hospice care is. Alongside this, our *Every Moment Counts* campaign, which raised over £190k in 36 hours, demonstrated the impact that can be achieved through shared purpose, helping supporters better understand the difference their fundraising makes to local people and families.

We also continued to build long-term relationships with supporters through the second year of *Your Gift, Our Future*, raising awareness of the importance of legacy giving in sustaining hospice care for future generations. A new philanthropy newsletter was also introduced, creating more strategic and purposeful engagement with supporters through a clearer and more confident organisational voice.

Our retail presence continued to play an important role in increasing visibility and accessibility across the county. A new shop opened in Yeovil as part of a wider strategy to increase our visibility and engagement in South Somerset, while work began on the acquisition of a new Taunton shop to further increase community presence and improve ease of access for donations and support.

Alongside this, significant branding work was undertaken across buildings, shops, printed materials and wider organisational assets to create a more consistent and recognisable identity for St Margaret's. Relationships with local media also continued to grow, including newspaper supplements and partnership working with Newsquest, helping to raise awareness of hospice care and the support available within local communities.

Building Knowledge, Learning and Evidence

Research, education and data continued to build our evidence base, extend our professional influence and demonstrate the impact of hospice care across Somerset.

Our Consultant in Palliative Medicine & Research Lead, Kate Shorthose, contributed as a regional speciality lead, collaborating with the National Institute for Health and Care Research (NIHR) and supporting the development of national palliative care research priorities across the South-West. We also established a dedicated research website group to promote the importance of research, encourage innovation and share best practice more widely.

Our Therapy teams continued to contribute to learning and professional leadership both regionally and nationally. Colleagues presented poster sessions at the national Hospice UK Conference exploring pathways from volunteering into careers and demonstrating outcomes in Complementary Therapy.

Our Associate Director of Clinical Service, Amanda Simpson, became Vice Chair of Somerset's system-wide Allied Health Professional (AHP) Council, while members of the team also delivered specialist Lymphoedema education through Bristol University and presented at regional AHP conferences helping to share expertise and showcase innovative approaches to care.

Alongside this, investment in digital and data capability improved our ability to evidence and communicate our impact. During the year, St Margaret's was onboarded to NHS England's Faster Data Flows initiative, providing enhanced access to data and analytics to better understand and demonstrate the difference our services make within local communities. Work also continued to establish more consistent clinical data definitions across the organisation, improving the quality of our reporting and insight and giving us greater confidence in how we measure and communicate our organisational impact.

Together, these developments demonstrate how St Margaret's is helping to shape the future of hospice care — raising awareness, building partnerships, developing the workforce and ensuring that more people across Somerset can access compassionate support earlier in their journey.



Enhancing Our Care

As our new organisational strategy took shape, we remained focused on improving access, enhancing patient and carer experience, investing in our workforce and infrastructure, and using insight, research and innovation to shape future care delivery.

Expanding Access and Reaching More People

Demand for hospice care continued to grow during the year, with 731 new, unique referrals received compared to 705 the previous year. Support for people living with non-malignant conditions also continued to increase, reflecting our ambition to broaden access to hospice care for more communities across Somerset.

Our Advice Line service saw significant growth, managing 9,316 calls during the year, including 302 callers who had not previously accessed support from St Margaret's. This reflects both increasing awareness of our services and growing demand for specialist advice and support.

Several new initiatives were introduced to encourage earlier engagement with hospice care. Information Days as well as Supportive and Functional Care information sessions were launched using a test-and-learn approach and are already demonstrating encouraging early outcomes in helping patients and families better understand available support.

Significant enhancements were also made to our digital referral pathways through updates to the Online Referral Service, helping to improve accessibility and streamline referral processes for healthcare professionals and partner organisations.

Improving Quality, Safety and Patient Experience

Clinical quality and patient safety remained central to service development throughout the year. A Clinical Complexity Tool was embedded across Community, Advice Line and In-Patient Unit services, helping teams assess and respond more consistently to patient need.

During the year, our first Advanced Care Practitioner (ACP) qualified and we are now recruiting for a second. ACPs provide additional capacity and expertise, operating with high autonomy and can handle complex decision-making, which improves care quality and bridges gaps in healthcare delivery. We also launched the Professional Nurse Advocate role, strengthening clinical leadership, workforce support and reflective practice within teams.

Clinical systems also underwent significant development within our patient record database, SystmOne. A comprehensive redesign of clinical trees, templates and toolbars was delivered following extensive staff engagement and feedback, alongside a new visual approach to presenting patient information to improve clarity and usability. At the same time, we coordinated work to improve data quality across clinical systems, and elevated recording practices and organisational reporting.

New clinical pathways and documentation processes were introduced, including the implementation of a Sepsis pathway to support consistent recognition and management across services, and redesigned end-of-life documentation to improve visibility of patient journeys and key conversations.

Patient and carer feedback continued to inform service improvement. A new patient experience strategy was introduced to improve how feedback is gathered across services, increase involvement in service development and learning, and to make greater use of technology to improve data capture and insight. Learning and governance activity also evolved through joint governance meetings with Somerset NHS Foundation Trust to review incidents and complaints, participation in system-wide end-of-life governance and risk groups, and shared multi-disciplinary mortality meetings between In-Patient Unit and community teams.

Clinical outcomes across services remained strong, with 86% of patients on our caseload dying outside hospital, which helps relieve the pressure on NHS and acute care settings.

Developing More Personalised and Integrated Support

Throughout the year, teams continued developing more personalised and holistic approaches to care for people living with complex and progressive conditions.

Therapy services launched a pilot interstitial lung disease (ILD) group led by physiotherapists and, through dedicated project funding, developed additional support for people living with progressive neurological conditions. Although the funding period has now ended and the neuro group programme has concluded, the team has continued to embed support for neurological patients within existing Sunflower Centre Day hospice services, helping ensure ongoing access to specialist support, therapy and peer connection.

Within Lymphoedema services, new patient feedback tools based on the British Lymphology Society framework were introduced alongside QR code access to improve ease of completion and increase response rates. Development also began on embedding the standardised Lymphoedema quality of life outcome measure within SystmOne to support more consistent understanding of patient outcomes and experience.

Our hospice-employed social work team became fully staffed during the year, with a newly defined service model and closer pathways developed with Somerset Council, improving support around safeguarding and integrated care. At the same time, both hospice-employed Occupational Therapists completed EDGE training, enabling St Margaret's to deliver moving and handling training internally and provide more practical support to patients and carers within their own homes.

SPOTLIGHT

Expanding Care: Supporting More People, in More Ways

Across Somerset, more people are living with complex, progressive conditions that require specialist support. At St Margaret's, despite the common misconception that hospice services are for those solely with a terminal cancer diagnosis, our services are continuing to evolve to meet the needs of a range of conditions.

One example is the neurological support group, launched in 2025 with grant funding, and now part of the hospice's ongoing Sunflower Centre provision in Taunton and Yeovil. The group was developed in response to a clear gap in support for people living with conditions such as motor neurone disease and multiple sclerosis. While the hospice had long supported people with these diagnoses, there was growing awareness that many more could benefit from earlier, more structured care. For those attending, the group has quickly become a valued source of connection and reassurance.

Alan, who was diagnosed with motor neurone disease six months ago, describes it as "incredibly valuable," particularly in helping him understand what support is available for both himself and his wife as his condition progresses. Alongside practical advice, the opportunity to spend time with others in similar situations has been equally important. "The camaraderie makes a real difference," he says.

For Sonia, the group offers a sense of comfort and familiarity. "It's a lovely way to get out of the house and meet people," she explains. "You can have a laugh or a cry, and people understand."

Each session follows St Margaret's holistic day hospice model. Patients can access a range of support in one place, including physiotherapy, occupational therapy, complementary therapies and guidance around planning for the future. Guest speakers and referrals to specialist services also help patients and families navigate what can often feel like a complex system.

Following strong feedback, the group has now moved from pilot to permanent provision as an integrated offer within our existing Sunflower Centre service. It reflects the hospice's wider focus on reaching people earlier and ensuring that support is available to a broader range of patients across Somerset.



Investing in Environments, Infrastructure and Future Care

Investment in buildings, digital systems and infrastructure continued to play an important role in enhancing care delivery and supporting future service development.

Funding received through the Department of Health and Social Care (DHSC) capital grant kick-started significant improvements to care environments across both Taunton and Yeovil. This includes refurbishment work within the In-Patient Unit in Taunton and the creation of a dedicated welcome area in Yeovil, helping create more welcoming, supportive and therapeutic spaces for patients, families and staff, which will be completed in the summer of 2026.

Alongside physical enhancements, continued investment in digital systems helped improve reporting, reduce manual processes and improve the speed, accuracy and consistency of information across the organisation. A major network infrastructure upgrade was completed at the Yeovil site to improve reliability and reduce operational risk, while a new Teams-based phone system was introduced to simplify infrastructure, reduce maintenance costs and improve the resilience of essential clinical support systems.

New clinical data definitions were introduced to improve consistency in understanding demand, activity and workload across services, while wider engagement in Integrated Care System-led projects has helped lay the foundations for future population health insight to inform care delivery and strategic planning.

Building Evidence through Research and Innovation

Research and innovation continued to play an important role in improving care and contributing to the wider evidence base for hospice and palliative care services. During the year, St Margaret's participated in several National Institute for Health and Care Research studies, including the DAMPEN-D study exploring the identification and management of delirium at end of life.

Alongside this, work started on the development of an organisational Theory of Change, helping to build a clearer understanding of how St Margaret's activities contribute to long-term outcomes for patients, families and communities. These developments reflect St Margaret's continued commitment to enhancing care through collaboration, innovation, learning and compassionate support — ensuring more people across Somerset can live well and die well.

Our Strategy in the Context of the NHS 10 Year Plan

The NHS 10 Year Plan is a national strategy, that was published in July 2025, designed to address the most pressing challenges facing health and care services in England. St Margaret's clinical strategy is closely aligned with the three major shifts of the 10 Year Plan: moving care closer to home, making better use of technology, and focusing on prevention and early intervention. Our approach not only supports the national direction but also demonstrates local leadership and innovation in Somerset. The following examples demonstrate how our work supports these shared ambitions.

1. Moving Care Closer to Home & Community

- **Early Engagement:** We are prioritising bringing care to patients and families earlier in their disease journey, supporting the NHS ambition to shift more care from hospitals to community settings.
- **GP Project:** We are working directly with GP practices to identify patients earlier, establish new referral baselines, and ensure timely access to hospice care – mirroring the NHS focus on proactive, community-based support.
- **Front Door Access Caseload:** By enhancing follow-up and onward referrals, we are making it easier for patients to receive ongoing support at home or in the community, reducing unnecessary hospital admissions.
- **Group Work Initiatives:** Piloting group sessions for fatigue and breathlessness, and exploring locality-based delivery, increases access and supports self-management outside hospital settings.

2. Making Better Use of Technology

- **Data-Driven Decision Making:** We are expanding our clinical data capabilities, benchmarking Somerset's population and hospice data to inform targeted support and future planning – directly supporting the NHS's digital transformation goals.
- **Digital Inclusion:** Our projects include robust data collection, digital record-keeping, and the use of technology to monitor progress and outcomes, ensuring that both staff and patients benefit from modern, efficient systems.
- **Modern Clinical Systems:** Enhancements to SystmOne, online referral pathways and shared data standards are improving consistency, safety and efficiency across services while supporting integrated working with health and care partners.

3. Focusing on Prevention, Early Intervention & Reducing Inequalities

- **Disease-Specific Initiatives:** We are piloting projects focused on neurological and interstitial lung disease conditions, with plans to expand to other non-malignant diseases, supporting earlier intervention and improved outcomes at the end of their lives.
- **Information Days:** Early engagement sessions for new patients help identify needs sooner, promote self-management, and connect people to the right services at the right time.
- **Outpatient Expansion:** Expanding outpatient access and specialist clinics (e.g., tissue viability) ensures more people receive preventative care and support before crises develop.
- **Collaboration Projects:** Working with Citizens Advice, community clinics, and other partners helps address wider determinants of health and reach groups at risk of health inequalities.

4. Continuous Improvement & System Leadership

- **Test and Learn Approach:** Nine main workstreams are underway or scheduled, each following a "test and learn" methodology. This agile, evidence-based approach ensures we remain responsive to patient and system needs and can scale up what works.
- **Research & Data Projects:** We are increasing research capability, participating in regional studies on deprivation and health inequalities, and using findings to shape future care delivery.
- **Robust Governance:** Progress is monitored at project, clinical, and board levels, with new KPIs tracking non-malignant referrals, new patient numbers, consultations, and service accessibility.

St Margaret's is increasingly helping to shape, not just respond to, change. Through our leadership within Somerset's Integrated Care System, contribution to the Modern Service Framework (MSF), and collaboration across primary, community, acute and voluntary care, we are supporting a more integrated and sustainable model of palliative and end-of-life care. We look forward to the MSF framework launch in Autumn 2026 and the opportunities it will bring to deepen collaborative partnerships and improve outcomes for people across Somerset. Further, alongside the emerging Neighbourhood Strategy, our Community Services teams continue to build system-wide collaboration. Weekly involvement by our East and West Community Teams in acute hospital multi-disciplinary meetings has improved discharge planning, supported safer and more timely transitions from hospital to community care, and helped more people receive the right care, in the right place, at the right time. As these developments progress, we look forward to supporting implementation and reporting on their impact in next year's Annual Review.



Stewarding Our Resources

Throughout the year, St Margaret's continued to make the best use of our people, finances, infrastructure and partnerships to support the long-term sustainability of hospice care across Somerset. As well as responding to increasing demand for services, we focused on improving efficiency, maintaining robust governance, investing in our workforce and infrastructure, and building resilient foundations to support delivery of our new five-year strategy.

Leadership and Organisational Foundations

During the year we continued to evolve our organisational leadership and governance while setting a clear strategic direction. At the Annual General Meeting in December 2025, St Margaret's formally transitioned from a membership model to a foundation model, representing an important constitutional change designed to support future governance and organisational development. Further detail is on page 26.

We continued to roll out changes following an external Governance Review in 2024, which is helping us to streamline processes, improve organisational effectiveness and ensure more time and resource can be directed towards patient care. This work sat alongside continued Board governance development and the recruitment of new Trustees with expertise across clinical care, income generation and business leadership.

Collaboration continued across the hospice sector, exploring opportunities for partnership working, shared learning and shared resources to improve sustainability and maximise collective impact. Initial areas being explored include looking at procurement strategies, corporate governance and finance systems.

Investing Wisely to Support Care Delivery

Financial sustainability and careful stewardship of resources remained central to organisational decision-making during the year. Clinical teams identified targeted efficiency savings through reduced agency use, procurement improvements, Continuing Health Care (CHC) funding claims and service redesign, while continuing to balance efficiencies with investment in innovation and service development through several test-and-learn initiatives.

Operational resilience was also strengthened through telephony and IT upgrades introduced towards the end of the year to improve out-of-hours reliability and reduce operational risk. Estates planning work continued across both hospice sites, alongside standardisation projects such as the move towards single-model pumps. This will simplify staff training, improve consistency of care, reduce waste and enhance patient safety.

Funding received through the Department of Health and Social Care capital grant enabled St Margaret's to bring forward planned investment in IT and clinical equipment while also releasing funding to support wider estate enhancements across both hospice sites.

Retail and fundraising performance continued to play a vital role in sustaining hospice care. Retail achieved a fifth consecutive year of sales growth, generating £6.7 million in sales and gross profits of £2.2 million during the year. The opening of a new Yeovil shop, alongside the creation of additional warehouse space linked to the Old Cinema site, helped maximise the use of assets within South Somerset and increase operational efficiency.

Alongside this, a pilot Fundraising Volunteer Coordinator role was introduced to expand volunteer support across fundraising activity, while a secondment partnership with Dorothy House Hospice helped further develop fundraising leadership capacity within the organisation.

Investing in Our People, Learning and Culture

Supporting staff, volunteers and organisational culture remained a significant focus. Recruitment across clinical services improved considerably, with all registered nurse vacancies filled and new East and West Social Worker roles successfully recruited. Pay and reward work also contributed to improved recruitment outcomes more broadly across the organisation.

Investment also continued in learning and leadership development. A new learning management system called Smile was launched providing expanded training content, reporting capability and increased visibility for both teams and managers. Resilience-Based supervision continued to roll out across services, while colleagues also participated in Rosalind Franklin leadership development programmes and additional professional training focused on incident management, patient safety and risk.

A new volunteer management system was introduced during the year to improve automation, functionality and efficiency, with further self-service developments planned for 2026/27. Volunteer recruitment and engagement have remained strong. During the last quarter of 2025/26 alone, 135 new volunteers were recruited, all retail volunteer vacancies were filled for the first time, and average time-to-start for clinical volunteers reduced from 16 weeks to eight weeks.

St Margaret's three-year volunteering strategy set a target of 50% growth in volunteer numbers from a March 2023 baseline of 823 volunteers to 1,242 by March 2026. By the end of 2025/26, volunteer numbers had already reached 1,370 — exceeding target by 128 volunteers. Using the National Minimum Wage and an assumption of three hours per week offered by volunteers, this equates to a financial value of £2.8m.

Staff engagement scores also reached their highest levels in four years, with overall engagement at 82%, with high scores (91%) against how colleagues feel purpose and meaning within their role and how it connects to St Margaret's vision and impact and employee net promoter score returning to +36.

A new apprenticeship chef role was introduced to create clearer progression pathways and support workforce development within catering services. And additional investment in operational support included the appointment of two Receptionists to enhance visitor experience, volunteer support and administrative capacity across both hospices.



Improving Systems, Governance and Resilience

Throughout the year, continued investment in systems, governance and digital infrastructure helped build resilience, improve efficiency and reduce organisational risk. Risk management remained a key organisational focus, with work continuing to better align Board-level oversight with operational practice.

Work also focused on updating emergency planning and business continuity arrangements across workforce planning, operational resilience and care provision. A wider clinical policy and standard operating procedure recovery programme was also launched, introducing staggered review cycles and shared ownership approaches to improve governance consistency and accountability.

Research governance also evolved during the year through the establishment of a dedicated Research Governance Group providing oversight, information governance support and collaborative working opportunities with Hospiscare in Devon. An annual research study day was also introduced to boost learning and engagement across teams.

Participation in National Institute for Health and Care Research studies generated additional funding to support research activity and maintain a funded research nurse role. Research activity during the year included recruitment into the rural end-of-life care programme and preparation for participation in METEL across approximately 30 hospice sites. St Margaret's was also successful in progressing to the next stage of a South-West shared data environment proposal focused on improving data-sharing across hospice services.

Digital and IT developments continued to improve efficiency and resilience across the organisation despite significant resourcing pressures within the team. During the year, IT delivery transitioned towards Agile methodology to improve flexibility and effectiveness, while wider digital activity focused on reducing organisational burden and maximising value from technology investment.

Cyber security also remained a significant priority. Improved cyber awareness training contributed to a 50% reduction in the number of users clicking on simulated phishing emails during the year.

Further digital improvements included enhancements to clinical systems and the Lymphoedema Management Tool, introduction of patient self-sign-in across both sites, improvements to patient and family triage systems, and continued work around developing datasets to demonstrate need, output and impact reporting.



SPOTLIGHT

More Than a Shop

St Margaret's charity shops are a familiar part of high streets across Somerset, but their role reaches far beyond retail. Behind every item sold is a direct contribution to the care the hospice provides for patients and families across the county. Retail has become an increasingly important part of how that care is funded. As demand grows, so too does the need for sustainable income streams that allow services to remain free of charge. That growth can be seen across the hospice's retail network. In Taunton, plans are underway to open a third shop on Lisieux Way, offering easy access, convenient parking and improved facilities for donations. With the retail head office team based nearby at Walford Cross, items can be collected, sorted and redistributed across the county, ensuring good quality donations are put to best use.

The success of The Old Cinema in Yeovil shows how far hospice retail has come. When the shop first opened in 2015, there were questions about whether another charity shop was needed. A decade later, it has become one of St Margaret's most distinctive stores. Set within a former Art Deco cinema, the shop spans three floors and offers a wide range of pre-loved furniture, homeware and clothing. A recent refurbishment of the top floor has created a brighter, more inviting space, with early increases in sales reflecting the impact of investment in the customer experience. Over time, The Old Cinema has also become a hub within the local community. Partnerships with organisations such as the YMCA, SSAFA and Abri Housing Group have enabled the shop to provide essential furniture to those in need and demonstrate their wider social value. It has also supported Community Payback placements, offering opportunities for people to gain skills and confidence, with some moving into employment.

A similar sense of renewal can be seen in Yeovil High Street, where St Margaret's has relocated its Hendford shop to a larger and more prominent site. The move reflects a commitment to keeping retail spaces accessible and relevant, while also making use of repurposed fittings to reduce waste and costs. That environmental impact is significant. Over the past year, St Margaret's shops have prevented more than 1.5 million kilograms of items from going to landfill, extending the life of pre-loved goods and supporting more sustainable shopping habits across Somerset.

The income generated through retail plays a vital role in supporting hospice services. Last year, it generated enough profits to fund the hospice's community nursing team, connecting activity on the shop floor directly to care delivered in people's homes.

Across all locations, shops are supported by teams of staff and volunteers who keep them running day to day. From sorting donations to helping customers, their work contributes to something much larger. For many visitors, a trip to a St Margaret's shop is about more than making a purchase. It is a way of supporting local hospice care, often without realising the full impact of that small, everyday transaction.



Looking Ahead: What We Will Do Next

Our focus remains firmly on delivering positive outcomes for our community, building on the progress made in the first year of our strategy and using our six strategic goals to guide the next stage of our work.

Understand & Respond to Unmet Need:

We will build on strong progress in understanding unmet need and testing new ways to respond to patient demand. Our "test and learn" approach has shown that group interventions, early information sessions and condition-specific cohorts, including Fatigue and Breathlessness, neurology and interstitial lung disease groups, are both feasible and valued by patients. In the year ahead, we will use this learning to redesign the hospice "front door", improve access and referral pathways, and develop services that can reach more people, earlier and at greater scale.

Increase Early Access to Hospice Care:

We are seeing encouraging signs that our strategy is helping more people access hospice care earlier. Information Days and early introduction sessions have created a practical gateway for earlier referrals, while year one activity shows increased reach across our services, with End-of-Life and Support Services supporting 4,533 people, up from 3,459. In the coming year, we will expand scalable models, make routes into our services clearer and more accessible, and ensure more people can benefit from hospice support when it can make the greatest difference.

Strengthen System-wide Partnerships & Influence:

As the ICB Cluster footprint and governance arrangements develop, we will continue to build relationships across the wider health and care system. We want to influence future service provision and commissioning for end-of-life and palliative care in Somerset, while protecting our independence and maintaining a clear hospice voice. Locally, we will remain active in the Somerset VCSFE collaboration and will seek to shape the MSF due in Autumn 2026. We will also explore new funding opportunities, develop closer relationships with neighbouring hospices, and continue to grow our brand awareness and community engagement.

Build a High-Performing Workforce and Organisational Culture:

We will launch a new People Strategy aligned to our five-year framework, with a focus on workforce design, culture and values, engagement and development. This will build on our inclusion work with Merop Consulting (page 40) and support the launch of Our Voice, an employee-led forum to encourage participation, capture ideas and give colleagues a greater voice in organisational development. We will also improve internal communication and embed our values and strategy more consistently across our processes and documentation. We will respond to regulatory changes, invest in leadership development, and take a more proactive approach to workforce and succession planning so we are equipped to deliver our strategy and futureproof the organisation.

Build Long-term Financial Resilience:

We enter the second year of our strategy in a sound financial position but know we cannot be complacent. One-off and non-recurring income continues to mask underlying volatility, so we must keep innovating, investing wisely and bolstering our income streams. In the year ahead, we will introduce a new lottery pricing structure, open a new charity shop in Taunton, review our retail portfolio, and welcome a new Director of Income Generation to help shape the next phase of our fundraising and commercial growth.

Increase Time to Care through Operational Excellence:

We will continue to evolve our governance arrangements, simplify processes and improve the systems that support our people to work confidently and efficiently. During 2026, we will welcome a new Chair as Tom Samuel retires, recruit new trustees to broaden the skills and expertise of our Board, and move to a new triennial Board and Committee cycle, effective from 2027. We will also progress efficiency projects, supported where appropriate by digital and system improvements, to release more staff time for frontline care. We will complete the refurbishment of the In-Patient Unit in Taunton and the Welcome Area in Yeovil, using the learning to inform how we futureproof our estate and create the right environment to deliver our strategy.

CASE STUDY

Delphie's Story



This year, Delphie completed a Volunteer 2 Career placement with St Margaret's Hospice - a journey that's helped shape her future ambitions.

"I started off two years ago doing beauty therapy, and I did really enjoy it," she explains. "But I wanted a bit of a change. When I heard about this programme, I thought it sounded really good."

Over the course of her placement, Delphie has spent time across many areas of the hospice, gaining a rare insight into the diverse roles that make up end-of-life care. From working in the Central Referral Centre – where she learned about referrals and the 24-hour advice line – to supporting the Lymphoedema service and spending time on reception, each experience has offered something new.

Her favourite experience has been on the Sunflower Centre Day Hospice. Here, Delphie has had the opportunity to build connections with patients and support them socially during their visits.

"I've connected with a few patients quite well," she shares. "Sometimes they don't have many people to talk to, so it's nice to be there for them. You hear about their past and they want to hear about your future – so it's quite a lovely little moment that you share."

The experience has opened her eyes to the breadth of roles in health and social care. "I had no idea there were so many different kinds of physiotherapists and occupational therapists," she says. "And then I came here and chatted to all of them – they all do completely different things!"

The relationships Delphie has built during her time at the hospice have left a lasting impression. "I've got on really well with the staff – we like to have a few laughs."

Looking ahead, Delphie hopes to stay in the sector. "I'd really like to go into something in health and social care. I've really loved St Margaret's, so if the hospice has an opening, I'll definitely go for it!"

She encourages others to consider the Volunteer 2 Career programme. "Especially if you're not too sure what you actually want to do, it's a brilliant way to get your foot in the door and see what people do here – things you normally wouldn't find out about."

As her placement draws to a close, she feels a little bittersweet. "It'll be a bit sad coming to an end because I've actually really enjoyed it. It's been a really good experience – and it'll definitely look great on my CV. But more than that, it's just been nice meeting new people and trying new things."

Since completing her placement – Delphie has started work full time as the hospice's receptionist in the Yeovil Hospice.



Financial Review



Financial headlines	2026 £000s	2025 £000s
Incoming resources	17,949	15,365
Resources expended	16,968	15,643
Investment net gain/(loss)	838	85
Net movement in funds	1,819	(193)

Income

Total income grew by £2.5m to £17.9m for the year ending March 2026 compared with £15.4m in the previous year. This growth highlights the hard work of our income generation teams, and the positive response of our local community who continue to support us through a diverse range of activities.

Retail Performance

Our 31 charity shops continued to outperform the wider market, delivering growth in gross sales and net profit for a fifth consecutive year. Sales totalled £6.7m, 4% ahead of both budget and the previous year. Growth was driven by donated goods sales and Gift Aid, making retail our largest income stream at 42% of total income. Profit after direct costs was £2.2m, with £1.3m remaining once all central costs had been accounted for. Profit from new goods was marginally below last year, by £6k.

Several factors contributed to this strong performance. More shops extended their trading hours during the year, and January to March 2026 included a full quarter of trading from the new Yeovil High Street store. At Yeovil Old Cinema, the conversion of storage space into additional sales area, together with income from the Abri Housing partnership, increased donated goods sales by £88k, which was 11% above budget.

Compared with the previous year, around half of our shops increased their contribution while the other half performed below last year's level, with gains and reductions almost exactly offsetting one another. Yeovil Old Cinema made the strongest contribution to the overall increase. Average weekly Gift Aid conversion was 37% in clothing shops and 24% in furniture shops, giving an overall conversion rate of 35%. Income from rag sales was £22k below last year. However, this shortfall was partly offset by higher volumes of lower-quality items sold through our clearance outlets. eBay sales to the end of March reached £64k, 5.9% higher than in 2024/25. We also achieved savings through several initiatives, including changes to our card provider and waste contractor. Although staff costs increased by £150k compared with the previous year, higher sales offset this rise, resulting in a contribution £100k ahead of the prior year.

Legacies

Gifts left in Wills, with a date of probate before March 2026, totalled £3.8m. Our investment in legacy marketing over the last 24 months is aimed at safeguarding the long-term future of this important income stream, but signs of this awareness raising are starting to materialise. In 2025 we launched a new Free Will Writing service with Octopus Legacies, and in its first year we have been notified of two single pledges worth £1.2m combined. Our strategy is to continue investing in above the line marketing, stewardship events, and donor communications, so that we can continue to build and protect the legacy pipeline.

Fundraising & Partnerships

Income raised through the generosity of our community increased year on year, reaching £1.9m – an increase of 40% on 2024/25. A major contributor was our first Champions Appeal, a crowdfunding-style campaign called *Every Moment Counts*, which raised more than £190k in 36 hours. The appeal brought together over 50 Champions who mobilised their networks to raise funds, with every £1 donated matched up to £75k by a small group of generous donors.

As well as exceeding our original £100k target, the appeal demonstrated the strength of feeling for the hospice across Somerset, with support from staff, volunteers, patients, families and the wider community. While this is not a model we would repeat frequently, we hope to revisit this type of appeal in 2030 to mark our 50th anniversary.

As in previous years, our broad and diverse programme of fundraising products, events and activities continued to generate vital income in support of our charitable aims. During the year, we launched a new *Sponsor a Nurse* product and hosted our first *Fireworks Spectacular* to celebrate our 45th anniversary. The event attracted more than 3,000 spectators and raised just under £40k, making it our best-attended event in more than 10 years. We also delivered a successful *Hospice2Hospice Ultra*, with 98 supporters walking 32 miles in a single day and raising £57k — another record sum for the hospice.

Grants & Philanthropic Support

Grant income was strengthened by a capital grant from the DHSC as part of the Government's £100m funding package for hospices in England and Wales. St Margaret's received £782k, which, in line with the grant conditions, was allocated to estate improvements and the purchase of equipment to support patient care. In addition, St Margaret's received a one-off donation from the Henry Hoare Foundation as part of its final distribution of funding before closing as a charity. This contribution was secured with the support of one of St Margaret's longest serving and most generous supporters.

During the year, we also received the second tranche of a multi-year funding partnership with Hinkley Point C. This funding helped support a Community Nurse providing care to families in the Bridgwater and Somerset coastal area. The business community also rallied around the hospice, and we raised over £100k from a range of partnerships including a successful two-year charity adoption by the UK Hydrographic Office in Taunton.

The direct cost of generating voluntary income was £0.85m versus £0.74m in the previous year.

Trading Income from the Lottery

We have had another challenging year with our lottery, due to a lack of canvassers available to help recruit new players to meet our acquisition targets. Fortunately, good stewardship has meant that our attrition levels have remained below sector averages at 8%, and therefore we have not seen a significant loss of players, but nonetheless this remains a product in decline.

As of the end of March 2026, there were 9,462 players in the Weekly Prize Draw, totalling 58,453 weekly chances. In addition, we sold Memberships and single ticket sales grossed £607,346 and the net contribution was £395,249. During the year a business case was developed to transition to a £2 ticket model, offering players two weekly chances, while helping to increase sales for the hospice. This new model will be rolled out during 2026/27 after a comprehensive communications strategy has been implemented with existing players.

Income from Charitable Activities

While our services are free to all, 19% of our total expenditure is covered by a contract with the NHS Integrated Care Board, which was worth £3.2m last year. This means that for every £1 the NHS commissions, we raise another £4.26 from voluntary sources and trading activity to be able to run the organisation and ultimately deliver our clinical services.

Uncertainty about the future commissioning model and associated funds remains, but our thanks go to all who have supported the hospice financially over the last twelve months.



Expenditure

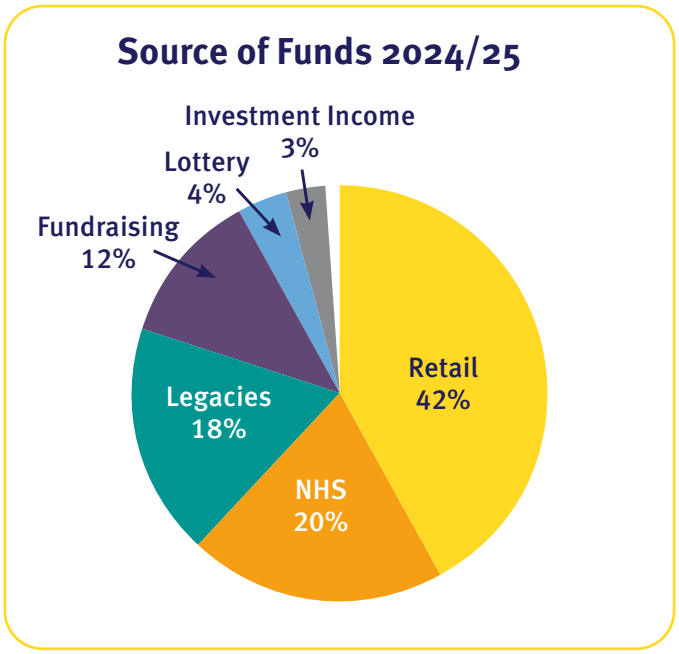
Total expenditure grew by £1.4m from £15.6m to £17m (up 8.5% from the prior year), which was driven by higher costs affecting all areas of the hospice, in particular wages and salary costs were up £0.5m (5.5%) and employers' national insurance £0.3m (36%) increasing to meet rises during the year.

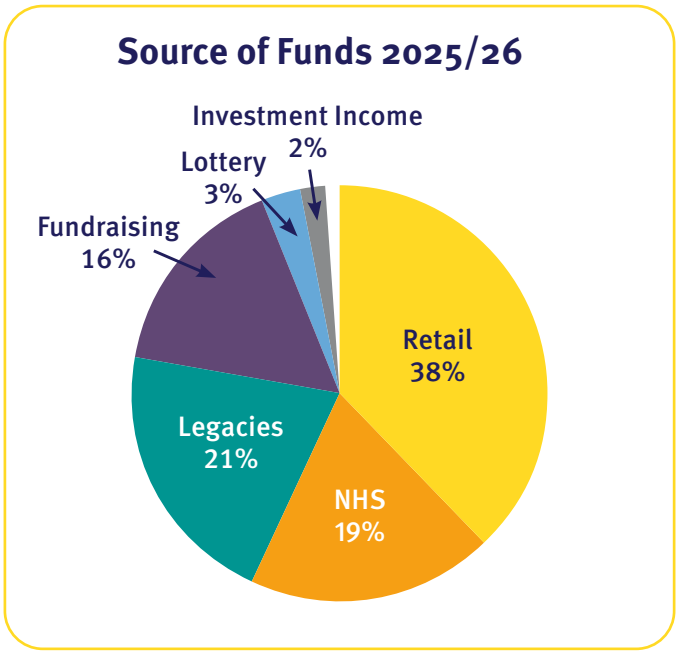
Spend on delivering our clinical care and services rose by £0.9m from £9.2m to £10.1m, which enabled us to reach and support 4,790 patients, their families and carers.

Support costs rose by £0.4m totalling £3.4m, which is 12.3% more than the previous year – this is made up of professional services and functions such as Governance, Audit, Information Technology, Communications and Finance that help to keep the charity, its patients, staff and the wider public safe, and the hospice operating ethically and in compliance with regulatory frameworks and best practice. These costs are shown in the accounts in note 7 and are allocated on a cost recovery basis across the core areas of Clinical, Retail and Fundraising, based on measures such as headcount or payroll costs for each activity.

Given that people are our greatest and most vital asset, the largest outgoing for St Margaret's was once again staffing. Total staff costs covering 276 full-time equivalent FTE posts was £11.7m compared with £10.8m in 24/25 – this is an 8.2% increase reflecting nine new FTE posts, an annual pay award and the increase in employers' national insurance.

We regularly benchmark performance with other comparable sized organisations, and we submit our results to both the national Charity Finance Retail Index and as part of Hospice UK's quarterly benchmarking report. This shows our retail business is performing well above average, while our fundraising activity remains slightly behind. Overall performance is slightly stronger than the average for the hospice sector although the NHS grant is slightly below the average.





A detailed analysis of income and expenditure is shown in the Statements of Financial Activity (SOFA) and notes 1 to 16 of the financial statements.

Reserves Policy

The hospice takes a risk-based approach to its Reserves Policy, informed by what the Board regards as an appropriate basis and level of reserves required to safeguard the hospice against unforeseen dips in revenue, such as fluctuations in working capital and costs related to unforeseen liabilities outside of budget. In developing the policy, the Board considered guidance from the Charity Commission, examples of risk policies from elsewhere, and specific risks that the hospice is exposed to.

The Charity Commission recommends that free reserves should be held to ensure the continuation of essential services for beneficiaries and that reserves can be designated to meet the cost of future projects and service development. In considering the risk to the continuation of essential services the Board noted that there is no obvious successor organisation to the hospice in Somerset and that therefore the continuity of the organisation was an essential part of ensuring that critical services continue to be available. This is supported by the designation by Somerset ICB of St Margaret's as a Commissioner Requested Service and therefore subject to additional quality and financial monitoring by NHS England.

The specific risks that have been identified and need to be covered by reserves for a period of up to two years were:

- **External shocks** – such as another pandemic, global conflict, cyber-attack and adverse weather
- **External trends** – such as high inflation, stock market falls and climate change
- **Internal decisions** – such as service changes impacting on community support
- **Random fluctuations** – principally in the cashflow/working capital that is held
- **Risk register issues** – such as recruitment, quality failings and regulatory/compliance difficulties
- **Uninsured risks** – those risks not cost effective or possible to insure
- **Unplanned closure of the service** – as specified in the Charity Commission Guidance.

The extent to which reserves need to be held for each of these types of risk was quantified and the result tested by modelling against several different scenarios. The outcome was a judgement that free reserves of £7m to £9m should continue to be held by the hospice (which equates to 9 to 12 months charitable expenditure). This level of reserves would be sufficient to cover many of the risks that could occur even if some of them were experienced within a relatively short period of time and concurrently. It was agreed that the appropriate level of reserves should be reviewed every six months and where necessary a plan developed as to how any adjustment can be achieved. In addition to Free Reserves the Board has designated £1m to support the delivery of expanded services as set out in the new 5-year Strategic Framework and £2.5m to deliver refurbishment of the hospice estate.

The Board ensure that the level of free reserves is adhered to through setting an annual budget and careful monitoring of progress throughout the year. On 31 March 2026, free reserves amounted to £9.5m. The Trustees are satisfied that the Charity remains a going concern, a conclusion reached based on both the strong level of reserves and the future budgets, plans and forecasts for the future. As a result, they continue to adopt the going concern basis of accounting in preparing the Annual Report and Accounts.



Investment Policy & Performance

The hospice holds funds in two long-term investment portfolios managed by Rathbones and RBC Brewin Dolphin. The combined value of the portfolios on 31 March 2026 was £10.6m. Our investments are held for the purpose of generating funds to support our charitable activities and as a reserve against future shortfalls in income or increases in cost. The overall aim is to ensure that our longer-term investments achieve a maximised return consistent with a moderate level of risk. The total rate of return is greater than could be realised through bank deposits and is measured against an agreed benchmark index over a 3-year period.

The investments are overseen by the Finance Committee, with day-to-day management of the investment portfolio undertaken by Rathbones and now RBC Brewin Dolphin, both well regarded investment advisors. The Trustees' investment policy guides the external advisors' activities, with consideration given to social, environmental, and ethical issues. This policy states that investments should not be held in companies involved in the tobacco industry or activities that have significant risk of damaging the charity's good name or reputation. The portfolio performance is monitored by the Chief Executive, Finance Director and Finance Committee Trustees who also take expert independent advice and liaise with the Fund Managers of both Rathbones and RBC Brewin Dolphin.



CASE STUDY

Richard's Story

Richard was 60 and lived alone. Before his death at St Margaret's Hospice, he spoke openly about the difference hospice care had made to his life – easing his greatest fear and bringing him friendship, laughter and joy.

When Richard first came under the care of St Margaret's, one fear weighed particularly heavily on him: dying alone, unnoticed and not being found.

"But now I have this weekly contact with my nurse Anna, who has been the reliable port of call that I can contact at any time. And it's reassured me with my biggest fear about dying and being left too long. It's like having somebody watching over me."

Through pain management, psychological support and Anna's guidance, Richard said his quality of life had been transformed.

"Lovely Anna. I can't thank her enough. We've become good friends, I think. She's guided me through the worst things."

Richard also discovered something at St Margaret's he hadn't necessarily expected: joy.

At the Sunflower Centre, he found himself surrounded by people who understood the fear and uncertainty he was experiencing.

"The first time I walked in there, the thing I most remember are the smiles, from both staff and from patients. All my problems, my anxiety, even my pain, just took second place to the ambience of that environment."

For Richard, the laughter, creativity and companionship mattered enormously. Instead of feeling watched or pitied because of his illness, he could simply be himself.

"It's absolutely amazing: so uplifting. Attending is the medicine. The communication, the love, the hugs, the talking, the experiences of other people."

Before Christmas, Richard travelled to North Wales to spend time with his family, but his condition deteriorated significantly. Despite the distance, Anna remained in regular contact and helped coordinate support with local district nurses and St David's Hospice, where Richard was admitted. He became so unwell that he was thought to be entering the final stages of his life.

Then, unexpectedly, Richard began to rally.

He was clear about where he wanted to be: back in Somerset, cared for by the St Margaret's team he knew and trusted.

With only a small window in which he could travel safely, the two hospices worked together to arrange and jointly fund a private ambulance. Richard made it back to Somerset and was admitted to St Margaret's In-Patient Unit, surrounded once again by familiar faces.

A few days later, Richard died peacefully on the IPU.

His faith had become a profound source of strength and comfort, particularly towards the end of his life. Three nurses were by his side, each of whom knew him and understood what mattered to him. He had been freshly washed, his rosary was in his hands and his best prosthetic nose was in place.

As he lay quietly, nurse Di read a psalm aloud. As the psalm came to an end, Richard died peacefully.

For a man whose greatest fear had been dying alone, Richard was surrounded by people who knew and cared for him at the end of his life.

His own words perhaps say it best:

"What the hospice has done is instilled my belief that compassion is alive and well. That compassion – it's the brightest light ever. It's a medicine in its own right."



How We Manage Risk



How We Manage Risk

Risk management is integral to how we operate as an outstanding provider of care and as a safe, equitable and highquality charity. It helps us protect patients, families, colleagues, volunteers and visitors; safeguard our resources and reputation; and make well informed decisions that support our strategic aims. Our values of compassion, collaboration and ambition also shape how we think about and respond to risk – balancing safety and quality with timely, personcentred decisions. Risk management is overseen through our corporate governance function and supports our strategic objective to increase time to care through operational excellence.

Risk management is the responsibility of all staff to ensure risks are identified. The Board holds overall management and control of risk management, and set and review, the hospice's risk appetite statement on an annual basis. They delegate to the CEO, who is responsible for ensuring there is a comprehensive risk management system in place. This includes ensuring a plan for adequate staffing, finances and other resources, to ensure the management of those risks, which may have an adverse impact, is addressed. The CEO also ensures that an appropriate corporate risk register is prepared and regularly updated and receives appropriate consideration including with the Board.

Across the hospice, the Executive team ensure appropriate risk management processes are in place within their area, including the proactive and timely identification, assessment and controls of risks. They also ensure the culture encourages individuals to participate in the risk management processes, seek input from relevant teams and provide assurance to Trustee committees and the Board. During 2025/26 the hospice introduced a new High-Risk Report to the Audit & Risk Committee, outlining the five highest scoring risks.

The hospice employs a Head of Governance to oversee the infrastructure behind the risk management framework, to ensure that regular checks, reviews and audits are conducted to ensure continued compliance with all statutory requirements, and best practice guidance. This includes quarterly governance meetings across the key business units to ensure that risk is being managed in a dynamic way, with risk positions updated and controls assessed.

At an operational level St Margaret's has a Risk Assessment Policy, with all events, activities and projects assessed in advance so that we can safeguard the health, wellbeing and safety of patients, staff, volunteers, as well as members of the public who engage with us. The hospice also has an internal audit programme, which aims to ensure that the hospice remains compliant with external regulations, standards, codes of practice as well as our own internal policies, procedures, guidelines, and agreements. These audits are conducted across all parts of the hospice and provide an independent and objective evaluation of our internal controls to effectively manage risk, add value and offer recommendations for continuous improvement and learning.

The Board retains oversight of a system of internal controls through which appropriate approval is required for all transactions and projects. Procedures are also in place to ensure compliance with the requirements of external regulatory bodies such as the Care Quality Commission (CQC), Charity Commission, Fundraising Regulator and Gambling Commission as well as ensuring the health and safety of patients, families, staff, volunteers, and visitors to the hospice.

St Margaret's Risk Management framework and policy, identifies seven corporate risk categories that influence our ability to deliver our charitable objectives, under which sit all identified corporate risks. Those categories are as follows:

1. Clinical Services
2. Financial Performance – Spend
3. Financial Performance – Income
4. Workforce
5. Compliance
6. Operational Infrastructure & Change Management
7. Reputation

The risk categories and corporate risks form the basis of the hospice's Risk Register, which is a live register managed at a senior leadership level providing an overview of the organisations risk profile. Beneath this sit operational risk registers, which are managed at a service or team level. We have mitigations in the form of actions and controls for each of these potential risks, which when managed effectively and consistently will help protect the organisation's assets, reputation, and operations including improved safety for patients and carers, staff, and visitors.

Structure, Governance & Management



Structure, Governance, & Management

Our structure

St Margaret's is a registered charity and a company limited by guarantee, established in 1980 with a charitable purpose outlined in our Articles of Association.

Subsidiaries and related parties

As the parent Charity, St Margaret's is also the sole shareholder of St Margaret's Somerset Hospice Retail Limited. The results of the subsidiary trading activities are set out in note 25.

How We Are Governed

At the December 2025 AGM, St Margaret's Board and Members passed a unanimous motion to transition from a member-based organisation to a foundation model where Trustees hold sole membership and strategic decision-making authority. Existing members were invited to become Sapphire Supporters, a status reserved for long-standing members, Vice Presidents, and Patrons, offering enhanced engagement opportunities. Supporters will receive a bi-annual newsletter, invitations to annual supporter events and meetings with leadership, updates on hospice progress, opportunities to participate in surveys, and exclusive event invitations.

Trustee Board

We have a robust governance structure with a Board, consisting of Trustees named on page 33 having ultimate responsibility for the proper and effective management of St Margaret's Hospice. The Board is responsible for all major strategic decisions, for monitoring the organisation's performance, and to ensure that it complies with its Articles of Association and applicable laws and regulations.

Election and Appointment of Trustees

All Trustees sign a code of conduct on appointment. The Trustees, Chair and Vice Chair carry out their responsibilities in line with a documented description of their role. New Trustees undertake an induction process designed to equip them with the information and understanding they need to become effective and valuable members of the Board as quickly as possible. Annual performance reviews, led by the Chair and Committee Chairs, identify training and development needs.

All Trustees give their time voluntarily and receive no benefit from the Charity. Out of pocket expenses incurred by the Trustees in carrying out the role can be reimbursed in accordance with the organisation's expenses policy. All Trustees were required to complete and sign an annual declaration of interests, and any relevant gifts received and confirm that they continue to meet the legal criteria required to be a Trustee.



How We Are Managed

Executive Team

The Board is responsible for appointing the CEO and providing support during the appointment process for the Executive Team. The Board delegates day-to-day management and decision making to the CEO and Executive Team, who are required to act in furtherance of the charity's strategy. The Board holds the CEO and Executive Team to account for its leadership of the organisation but will play a crucial role in providing support and guidance for key decisions that fall outside the scope of the Executive Team or exceed authorised budget levels. This includes matters such as new shop leases, major decisions related to legacy estates, or significant contracts. The CEO delegates decision-making powers throughout the organisation via the Executive Team.

In August 2025, James Rimmer stepped down as CEO of St Margaret's for personal reasons, having led the charity for two years and the development of the hospice's new five-year strategy. Director of Fundraising, Retail and Communications, Joanna Hall, stepped in as interim CEO from September 2025 and was formally appointed in post in January 2026 following a competitive recruitment process.

Staff

As of March 2026, our workforce comprised 349 staff and 60 bank staff all playing diverse roles in ensuring the smooth operation of the hospice. In addition to our frontline staff of doctors, nurses, and therapists, we have essential support teams. These include housekeeping, kitchen staff, estates personnel, and resource management professionals, all contributing to the efficient functioning and security of our facilities. We also have teams dedicated to generating income, with over 100 staff working across our 31 shops and fundraising activities. To keep our staff and volunteers informed about the hospice's goals and activities, we employ a range of communication channels such as all staff-briefings, departmental meetings, staff and volunteer newsletters, and digital internal communications. During the year a staff intranet was developed ready for launch in 2026/27, as well as a new employee engagement programme by the new CEO. Our values are displayed throughout the premises and form an integral part of the recruitment, onboarding, and training processes, fostering a shared commitment among our team.

Employment Policy

St Margaret's is dedicated to promoting equal opportunities and preventing unlawful discrimination in employment and the provision of services. This commitment extends to patients, visitors, contractors, trustees, volunteers, and staff from other organisations associated with the hospice. Since 2024 we have had an Equity, Diversity and Inclusion Policy to ensure fairness and inclusivity in all aspects of our operations.

Pay and Remuneration

The pay and remuneration of key management staff undergo thorough review by the Remuneration Committee. This committee assesses the recommendations and presents them to the Board of Trustees. To ensure fairness and consistency, job descriptions and person specifications are benchmarked against NHS national role profiles, regional hospices, and pay data from healthcare competitors, charity, and private sector companies. Internal benchmarking is also conducted to maintain equity.



Gender Pay Gap

As an employer of more than 250 staff, St Margaret's Hospice undertakes Gender Pay Gap Reporting as required by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Gender pay gap reporting shows the difference in average pay of relevant full pay employees on the snapshot date of 5 April. It demonstrates the difference between all men and women in a workforce, without recognising different roles or types of contracts.

The data below relates to hourly pay on the snapshot date of April 5th 2025

Mean Pay Gap[1]	Median Pay Gap[1]
6.7%	0.07%

This suggests that across the middle of pay distribution there is very little difference in the hourly pay between men and women. The pay quartile analysis below shows the proportion of female and male employees in each earnings bracket, from lowest to highest paid:

The data below relates to hourly pay on the snapshot date of April 5th 2025

	Number of Employees	Number of men	Number of women	Percentage of men	Percentage of women
Upper hourly pay quartile	90	13	77	14.44%	85.56%
Upper middle hourly pay quartile	90	15	75	16.67	83.33%
Lower middle hourly pay quartile	90	9	81	10.0%	90.0%
Lower hourly pay quartile	90	19	71	21.11%	78.89%

St Margaret's Hospice ensures that men and women working in the same or similar roles receive fair and equal pay. We support flexible working and offer a wide range of family friendly leave policies. We provide opportunities for career development and advancement for all employees, regardless of gender. Recruitment processes are monitored to ensure gender neutrality and that inclusive language is used throughout. We recognise that any gender pay gap, even where the median position is close to parity, merits attention. We remain committed to reviewing contributing factors and to take steps to support fair opportunities for progression and representation at senior level, and to support fair and inclusive pay outcomes.

1 The mean gender pay gap is the difference in the average hourly pay for women compared to men.
2 The median pay gap is the difference between the midpoints in the ranges of men's and women's pay.

Equity, Diversity & Inclusion

St Margaret's is committed to equity, diversity and inclusion (EDI) as an essential part of delivering compassionate, person-centred care. We want every patient, family member, staff member, volunteer and supporter to feel valued, respected and heard, regardless of background, identity or medical condition. This commitment helps us create a culture that recognises difference and promotes dignity, respect and quality of life for all.

As part of the Board's commitment to embedding EDI across every aspect of hospice life, we have begun working with Merop Consulting. Together, we are developing a programme of work initially focused on culture and how inclusive we are as an employer, care provider and charity. For an organisation rooted in Somerset for over 45 years, this means taking time to reflect on how our community is changing and making sure we remain relevant, representative and as accessible as possible to patients, supporters, colleagues and volunteers.

During the year, we held listening sessions to give people across St Margaret's the opportunity to share their experiences and views. Combined with findings from previous staff surveys, this feedback has helped us build a clearer picture of where we are doing well and where we need to change. Merop is also helping us review how we communicate, how accessible our processes are, and where barriers to inclusion may exist. Although this work has initially focused on staff and volunteers, it is already prompting important conversations about behaviour, culture and what it means to live our values of being compassionate, collaborative and ambitious. An inclusive workplace enables people to contribute with confidence, feel a sense of belonging, and do their best work.

Clinically, we are focusing on identifying gaps in access and inclusion, including for people with non-malignant conditions and those who currently serve, or have previously served, in the armed forces. Hospice care has historically been more accessible to people with cancer, which means some individuals with other life-limiting illnesses, such as advanced heart, lung or neurological conditions, may not have received the same level of support. In this first year, we have begun piloting condition-specific work, including support for people living with life-limiting neurological conditions and interstitial lung disease. At the same time, we have solidified our research programme and engagement with specialist partners to better understand where St Margaret's can make the greatest difference and to lay the foundations for informed, meaningful change.



How our Clinical Services are Regulated

The hospice is registered with the Care Quality Commission (CQC), which regulates and inspects the hospice as an independent healthcare provider. We actively engage with the CQC, have all necessary registered roles in place and align our evidence against the new single framework. We are proud that we continue to hold an 'Outstanding' rating by the CQC at our last inspection in July 2024. This marks the second time that we have received this prestigious recognition, with special acknowledgment for our exceptional care, compassionate staff, and commitment to patient safety and wellbeing.

The inspection, part of the CQC's routine assessments, praised St Margaret's for being effective, caring, responsive, and well-led. Additionally, the rating for safety has been elevated from 'Good' to 'Outstanding', demonstrating the hospice's continued dedication to providing the highest quality care.

In the CQC's report, our staff were applauded for their kindness, attentiveness, and their ability to meet the unique needs of patients and their families. We were commended for our focus on patient safety and our innovative approach to end-of-life care. Special mention was given to the range of services offered, including translation services and tailored support for people with disabilities.

Our teams work tirelessly to provide high-quality, compassionate care, and we are delighted that the CQC has recognised our efforts. Patient care and safety are always our top priorities, and we continuously strive to ensure that the care we provide is not only safe but also tailored to meet the individual needs of each person. This recognition is a testament to the dedication, compassion, and professionalism of every single member of our team and the role they play in delivering outstanding care at St Margaret's.

Further information about how we run our care services, please see our latest Clinical Quality Account. The aim of this report is to give clear information about the quality of our services to enable our patients to feel safe and well cared for, to demonstrate that our services are of a very high standard and to show that the NHS is receiving good value for money.

Safeguarding

At St Margaret's Hospice, safeguarding is central to providing high-quality, compassionate care. We are dedicated to protecting our patients and their families from abuse, while upholding our responsibility to ensure the safety and wellbeing of the wider public. We have a Designated Safeguarding Lead, Safeguarding Link Trustee, and a Clinical Safeguarding Lead. Adhering to the NHS Standard Contract's 12 core safeguarding standards, we have established robust measures to protect vulnerable adults and children. Safeguarding is woven into our daily practice, reinforcing the shared responsibility of all staff and volunteers. Our governance structure provides clear leadership and accountability, with designated safeguarding leads overseeing compliance. Our highly trained senior on-call team is available 24/7 to offer support and guidance. We have comprehensive policies and procedures aligned with statutory guidelines, ensuring effective responses to safeguarding concerns. A rigorous recruitment process, including DBS checks, helps maintain a safe workforce.

Mandatory safeguarding training empowers our staff to identify and respond appropriately to concerns. As of the end of March 2026, our compliance rate was 84%, which is lower than we would like as we strive to achieve 95%. Collaboration with local authorities, health providers, and safeguarding boards strengthens our ability to provide coordinated support. Secure data-sharing protocols facilitate timely interventions while maintaining confidentiality.

Our Clinical Safeguarding Lead has established a forum to increase collaboration among hospices. We encourage patients, families, and carers to raise concerns, fostering a culture of openness and trust. Proactive risk assessments and safeguarding measures help prevent harm and abuse. A structured approach to incident reporting, investigation, and resolution promotes continuous learning.

Adhering to the Mental Capacity Act ensures patients are supported in making informed decisions about their care. Transparent whistleblowing policies empower staff to report concerns without fear of reprisal. Regular audits and monitoring drive ongoing improvements, including our first annual self-assessment audit this year. Through these efforts, we uphold a safe and respectful environment for all.

Fundraising Disclosure

Registered with the Fundraising Regulator and licensed with the Gambling Commission, all fundraising activities are carried out in accordance with best practice and in line with the current Codes of Fundraising Practice and internally audited. We raise funds via multiple fundraising activities, including postal and digital appeals, events and fundraising that is organised by others on our behalf. All fundraising is conducted in line with the hospice's 'Key Principles and Behaviours Policy,' which outlines our approach, including protecting vulnerable people. Our Legacy Policy also details a clear framework for dealing with potential and existing legators ensuring supporters are treated fairly and not subject to unreasonable, persistent, or intrusive communications.

St Margaret's is a member of the Hospice Income Generation Network and several of our fundraisers are members of the Chartered Institute of Fundraising. We are also members of the Hospice Lotteries Association and Lotteries Council. During 2025/26 all monthly financial returns were made to the Gambling Commission, as per the conditions of our Licence, as was our Annual Regulatory Return and both our Money Laundering and Social Responsibility Policies were updated. During the year we started working with a third-party professional fundraising agency who saw us return to face-to-face recruitment of players for our Weekly Prize Draw. We have safeguards in place when working with suppliers so that we protect our supporters and the reputation of our charity. We ensure all third parties observe the highest standards in terms of fundraising practice and monitor their performance using mystery shopping and audits. We did have some challenges with the new agency, with five concerns raised about canvasser behaviours. All were investigated thoroughly and none were reportable to the Gambling Commission.

To ensure ongoing compliance with General Data Protection Regulations we regularly review our fundraising practices relating to personal data, with a Fundraising, Marketing and Governance meeting every quarter. All personal information we hold is treated in a safe, secure, sensitive, and confidential way. We do not buy, share, or sell personal information to third parties for marketing or fundraising purposes. We use legitimate interest as the legal basis for sending our newsletter and fundraising mailings. Our supporters can opt out of receiving contact from us at any time, and we remind them how they can do this in each correspondence. Our full Privacy Notice and Terms and Conditions are clearly signposted on our website. Any new activities are subject to Data Protection Impact Assessments to ensure the rights of data subjects are not impacted. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We also adhere to the Telephone Preference Service, when undertaking telemarking campaigns. Our complaints procedure enables any supporter to raise a concern or complain about our fundraising activities. During the year we received three complaints, all of which were or are in the process of being investigated. One relating to a name missing from a dedication page, one was a request for a ticket refund due to a supporter missing an event, and the final was linked to a contested Will.



Streamlined Energy & Carbon Reporting (SECR)

Methodology

As part of our ongoing Green Plan, we are reporting on our carbon footprint for the third consecutive year. Our approach is based on the UK Government Environmental Reporting Guidelines and GHG Conversion Factors. As this remains a developing area of reporting, we continue to broaden and strengthen our disclosures, going beyond the minimum requirements in line with our wider sustainability commitment.

For scopes 1 and 2, we have continued to report all relevant emissions. This year, we have also included the electricity generated for our own use from solar panels at our two hospice sites, which carries zero associated emissions. This figure excludes any surplus electricity exported back to the grid.

Following the introduction of selected scope 3 reporting last year, we have expanded this section further. In addition to business travel, WTT (Well to Tank), and T&D (Transmission and Distribution), this year's report now includes staff commuting and home working. These estimates are based on a staff travel survey conducted in December 2025, which achieved a 43% response rate. The results provided a snapshot of travel habits that was then extrapolated across the full workforce over a full year. Because the survey took place in winter, some figures may be slightly overstated due to seasonal variations in travel patterns.

Summary of Changes

Scope 1
In 2025/26, gas usage and the related emissions fell by 8.3%, while electricity generated by our solar panels increased by 10.9%. As there were no changes to the solar array or to the buildings using gas heating, we believe these movements are primarily due to differences in weather conditions between the two years.

Transport fuel use increased by 11.3% over the year. In both reporting periods, the main source of this usage was retail logistics, including outbound deliveries, donation collections, and transport between shops and warehouses. Donated furniture sales were 9.37% higher than the previous year, increasing demand for deliveries. We also introduced additional van capacity in Q4, replacing some external logistics. As emissions from subcontracted logistics are not included in SECR reporting, part of this increase reflects emissions moving into scope 1 rather than entirely new activity.

There was also a notable percentage increase in refrigerant emissions, driven by the replacement of two units during the year. However, as refrigerants represent only a small proportion of our overall footprint, the effect on total emissions was limited. This figure may also be slightly overstated, as it does not account for refrigerants that were captured and safely disposed of when the units were removed.

Scope 2
Purchased electricity reduced slightly during the year, although total electricity use, including self-generated solar power, increased by 1.2%. This was largely due to the opening of a new retail store in Q4, which temporarily overlapped with the store it replaced and has a larger footprint, increasing electricity demand. Despite this, emissions from electricity fell by 14.8%, mainly because the national electricity generation mix became less carbon intensive, reducing emissions per kWh by 14.5%.

Scope 3
Business mileage increased primarily because of additional travel undertaken by our community nursing team. On average, we employed 2.1 additional FTE Community Nurses or multi-disciplinary professionals during the year, enabling us to support more patients across Somerset.

Other business travel reduced significantly, with mileage down by 38.9% and related emissions down by 75.8%. This was largely due to the Hospice UK Conference taking place in Liverpool, which staff could reach by train, compared with the previous year's event in Glasgow, where air travel was used.

Changes in WTT and T&D emissions were an indirect consequence of the scope 1 and scope 2 factors described above. Overall, emissions fell by 30.06 tonnes CO_2e, representing a 5.3% reduction, despite a 3.1% increase in staff numbers as we worked to support more patients. The most significant drivers of this reduction were external factors, particularly changes in weather conditions and the UK's electricity generation mix.

		2025/26		2024/25		MOVEMENT		
EMISSIONS SOURCE	**UNIT**	**UNITS**	**TONNE CO2e***	**UNITS**	**TONNE CO2e***	**UNITS (%)**	**TONNE CO2e***	**CO2e* %**
Scope 1								
Gas	KWHs	1,085,864	198.67	1,184,548	216.65	-8.3%	-17.98	-8.3%
Transport Fuel	Litres	18,533	47.57	16,646	41.61	11.3%	5.96	14.3%
Refrigerants & Medical Gases	KGs	8	5.12	3	2.33	141.8%	2.79	119.6%
Refrigerants & Medical Gases	KWHs	123,750	-	111,630	-	10.9%	-	-
Scope 1 Subtotal			**251.36**		**260.59**		**-9.23**	**-3.5%**
Scope 2								
Purchased Electricity	KWHs	716,177	126.76	718,303	148.72	-0.3%	-21.96	-14.8%
Scope 2 Subtotal			**126.76**		**148.72**		**-21.96**	**-14.8%**
Subtotal (Scope 1 & 2)			**378.12**		**409.31**		**-31.19**	**-7.6%**
Full Time Equivalent Staff (FTE)		275		267		3.1%		
Intensity Factor (Tonne CO2e/FTE)			1.37		1.53		**-0.16**	**-10.5%**
Scope 3								
Business Travel (Mileage)	Miles	187,452	48.61	174,210	45.49	7.6%	3.12	6.9%
WTT* Business Travel (Mileage)	Miles	187,452	12.87	174,210	12.05	7.6%	0.82	6.8%
Business Travel (Other)	Miles	5,140	0.29	8,412	1.21	-38.9%	-0.92	-75.8%
WTT* Business Travel (Other)	Miles	5,140	0.07	8,412	0.17	-38.9%	-0.10	-56.6%
Total Business Travel			**61.85**		**58.92**		**2.93**	**5.0%**
WTT* Emissions, Gas	KWHs	1,085,864	32.80	1,184,548	35.79	-8.3%	-2.98	-8.3%
WTT* Emissions, Transport Fuel	Litres	18,533	11.32	16,646	10.16	11.3%	1.16	11.5%
WTT* Emissions, Electricity	KWHS	716,177	35.72	718,303	35.82	-0.3%	-0.11	-0.3%
T&D* Emissions, Electricity	KWHS	716,177	13.27	718,303	13.14	-0.3%	0.13	1.0%
Total Fuel & Energy Related Activities			**93.11**		**94.91**		**-1.80**	**-1.9%**
Total Emissions (with prior year comparison)			**533.08**		**563.14**		**-30.06**	**-5.3%**
Full Time Equivalent Staff (FTE)		275		267		3.1%		
Intensity Factor (Tonne CO2e/FTE)			1.94		2.11		-0.17	-8.1%
Staff Commuting*	Miles	1,046,079	257.69					
WTT* Staff Commuting	Miles	1,046,079	68.86					
Home Working	Days	14,156	4.72					
Total Indirect Staff Emissions			**331.27**					
Total Emissions			**864.35**					
Full Time Equivalent Staff (FTE)		275						
Intensity Factor (Tonne CO2e/FTE)			3.14					

*CO2e; CO2 equivalent. This table measures both CO2 and other greenhouse gases, we report other gases based on the equivalent impact to a tonne of CO2, according to the UK Government GHG Conversion Factors

*WTT; Well To Tank is a measure of the indirect impact accounting for the upstream emissions associated with extraction, refining and transportation of the our fuel usage

*T&D; Transmission and Distribution accounts for the emissions associated with grid losses relating to our electricity usage the direct emissions of which are reported in scope 2

Who's Who

Executive Team

Chief Executive
James Rimmer (resigned 31 August 2025)

Chief Executive
Joanna Hall (interim from 1 September 2025 then permanent appointment from 16 January 2026)

Finance Director
David Slack

Clinical Director
Clare Barton

Director of People, Development & Governance
Katie Dominy

Director of Fundraising, Retail & Communications
Joanna Hall (until 15 January 2026 then vacant)

Director of Data & IT Services
Nick Middleton



Trustees

The Trustees who served the Charity during the whole period were as follows:

1. Tom Samuel (Chair)
2. Pat Colton (Vice Chair)
3. Triston Greenhow
4. Kevin Jones
5. Dr Nick Kennedy
6. Nicky McClean
7. Sue Steen
8. Rev. Tim Treanor
9. Pip Tucker
10. Dr Sarah Allford
11. James Don Carolis
12. Katy Webley
13. Caroline Upton (appointed 4 March 2026)
14. Mark Howlett (appointed 29 October 2025)
15. Dan Brooks (appointed 30 October 2025)
16. Amy Becker (appointed 6 July 2026)

Trustees who retired or resigned during 2025/26

1. Sandra Corry (resigned 3 September 2025)
2. Ritchie Cridge (resigned 2 April 2025)
3. Emma Webber (resigned 24 September 2025)
4. Dominic Lynch (resigned 20 October 2025)

Reference & Administrative Details

Registered office
Heron Drive, Bishops Hull, Taunton,
Somerset TA1 5HA

Bankers
Barclays Bank plc
46 North Street, Taunton Somerset, TA1 1LZ

Independent auditor
AC Mole LLP, Chartered Accountants
Stafford House Blackbrook Park Avenue
Taunton, Somerset, TA1 2PX

Principal solicitor
Clarke Willmott Solicitors
Blackbrook Gate Blackbrook Park Avenue
Taunton, Somerset, TA1 2PG

Investment Fund Managers
Rathbones Investment Management Ltd
8 Finsbury Circus London, W1J 5FB

RBC Brewin Dolphin
Vantage Point, Woodwater Park, Pynes Hill
Exeter, Devon, EX2 5FD

Registration numbers
Registered charity number 279473
Registered company number 01471345
VAT registration number 991 2550 08



CASE STUDY

Mary's Story

When Mary moved from Surrey to Somerset one November nearly 20 years ago, she didn't know many people. "It was quite lonely," she admits. But a simple walk into Langport's St Margaret's shop changed everything.

"I wandered down here one day, came into the shop and asked if they needed more volunteers," she says. "And yes, they did. That was the start of it, and I've been here ever since. I love it."

Over two decades of volunteering, Mary has found a sense of belonging. "The people are really nice," she says with a smile. "It's lovely to get a chance to meet people and to know you're volunteering for such an amazing cause."

Mary has spent time sorting clothes and bric-a-brac, but she found her true calling in the children's section. "Not many people were interested in the children's books, so I took it on. I've got grandchildren, I love children, and I love children's books. I sort them, display them, save the wintery ones for Christmas - because I think it's so important for children to read."



Christmas is Mary's favourite time of year - and her love of the season shines through in the way she brings joy to others. Each December, she makes it her personal mission to find homes for every single teddy bear in the shop.

"With their little faces looking out from the shelves, I can't bear to think of them being left behind," she says with a smile. "I always tell customers, 'We can't let this bear spend Christmas alone; he needs a home!'"

Over the years, Mary has witnessed just how deeply St Margaret's touches people's lives. "I've spoken to so many customers who've had help from St Margaret's," she shares. "They're always very grateful."

She has some fond memories, like the time her phone, tucked into a red glasses case, nearly ended up being purchased! "One of the volunteers said he thought it was a donation and priced it up!" she chuckles. "We had a good laugh about that."

Mary speaks fondly of her team: "We're a friendly bunch. The staff are lovely, encouraging, and always ready to listen. It's like a little family."

She would recommend volunteering to anyone. "If anyone's feeling lonely, I'd say come down here. You don't have to commit to every day - just a few hours a week. You'll always be welcomed."

Mary's story reminds us that care and compassion takes many forms: sometimes, it looks like a smiling volunteer behind a shelf of children's books, helping to make a difference one day at a time.

Financials



Consolidated Statement of Financial Activities for the Year Ended 31 March 2026

(Incorporating a consolidated income and expenditure account)

	Note	Unrestricted £	Restricted £	Total Funds 2026 £	Total Funds 2025 £
Income from:					
Donations and Legacies	1	5,715,980	953,011	6,668,991	4,473,373
Other Trading Activities	2	7,372,428	-	7,372,428	7,111,663
Investments	3	440,545	-	440,545	520,157
Charitable Activities	4	-	3,431,435	3,431,435	3,235,657
Other Income		35,850	-	35,850	24,117
		13,564,803	**4,384,446**	**17,949,249**	**15,364,967**
Expenditure on:					
Raising Funds	5	(6,833,728)	-	(6,833,728)	(6,396,735)
Charitable activities	6	(6,389,445)	(3,744,782)	(10,134,227)	(9,246,256)
		(13,223,173)	**(3,744,782)**	**(16,967,955)**	**(15,642,991)**
Net gains on investments	8	837,836	-	837,836	85,254
Net surplus / (deficit) and movement in funds	9	**1,179,466**	**639,664**	**1,819,130**	**(192,770)**
Reconciliation of Funds:					
Total Funds brought forward		**20,483,382**	**2,399,562**	**22,882,944**	**23,075,714**
Total Funds carried forward		**21,662,848**	**3,039,226**	**24,702,074**	**22,882,944**

Consolidated Statement of Financial Position as at 31 March 2026

	Note	Total Funds 2026 £	Total Funds 2025 £
Fixed Assets			
Intangible assets	11	189,415	334,010
Tangible assets	12	7,528,430	7,000,860
Investments	8	10,632,118	9,751,695
		18,349,963	**17,086,565**
Current Assets			
Stock	13	140,565	138,174
Debtors	15	5,115,289	3,301,589
Cash at bank and in hand		2,569,697	3,565,813
		7,825,551	**7,005,576**
Liabilities			
Creditors: Amounts falling due within one year	16	**(1,473,440)**	**(1,209,197)**
Net current assets		6,352,111	5,796,379
Total assets less current liabilities		24,702,074	22,882,944
Total net assets		**24,702,074**	**22,882,944**
The Funds of the Group:			
Restricted Income Funds		3,039,226	2,399,562
Unrestricted Income Funds		21,662,848	20,483,382
Total Consolidated Funds		**24,702,074**	**22,882,944**

Charity Statement of Financial Position as at 31 March 2026

	Note	Total Funds 2026 £	Total Funds 2025 £
Fixed Assets			
Intangible assets	11	189,415	334,010
Tangible assets	12	7,528,430	7,000,860
Investments	8	10,632,218	9,751,795
		18,350,063	**17,086,665**
Non-current Assets			
Debtors due after more than one year	14	**141,815**	**139,049**
Current Assets			
Stock	13	-	-
Debtors	15	5,115,289	3,301,589
Cash at bank and in hand		2,568,347	3,564,838
		7,683,636	**6,866,427**
Liabilities			
Creditors: Amounts falling due within one year	16	**(1,473,440)**	**(1,209,197)**
Net current assets		6,210,196	5,657,230
Total assets less current liabilities		24,702,074	22,842,073
Total net assets		**24,702,074**	**22,882,944**
The Funds of the Charity:			
Restricted Income Funds		3,039,226	2,399,562
Unrestricted Income Funds		21,662,848	20,483,382
Total Charity Funds		**24,702,074**	**22,882,944**

Consolidated Statement of Cashflows for the Year Ended 31 March 2026

	Note	2026	2025
		£	£
Cash flows from operating activities:			
Net cash (used in) operating activities		(368,003)	(2,386)
		(368,003)	**(2,386)**
Cash flows from Investing Activities			
Dividends, interest and rent from investments		440,545	520,157
Purchase of property, plant and equipment		(997,837)	(235,381)
Purchase of intangible assets		(28,235)	(47,232)
Purchase of investments		(1,999,907)	(1,473,083)
Disposal of investments		2,758,380	1,682,263
Movement in cash held for investment		(801,059)	(227,069)
Net cash generated from / (used in) investing activities		**(628,113)**	**219,655**
Cash flows from financing activities			
Net cash provided by financing activities		**-**	**-**
Change in cash and cash equivalents in the reporting period		**(996,116)**	**217,269**
Cash and cash equivalents at the beginning of the reporting period		**3,565,813**	**3,348,544**
Cash and cash equivalents at the end of the reporting period		**2,569,697**	**3,565,813**

Accounting policies

Company Information

St Margaret's Somerset Hospice is a company limited by guarantee, incorporated with Companies House (England and Wales). The registered office is Heron Drive, Bishops Hull, Taunton, Somerset TA1 5HA. St. Margaret's Somerset Hospice constitutes a public benefit company as defined by FRS102. The company is a registered charity with the charitable purpose of: *Promoting the relief of sickness by such charitable means as the Association shall from time to time think fit.*

Basis of Accounting

These financial statements have been prepared under the historical cost convention (except for some investments which are included at market value) and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Charities Act 2011, the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Critical Accounting Estimates and Judgements

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Trustees consider that the following critical accounting estimates and judgements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- **Legacy income**
  Under the FRS102 SORP the group and charity are required to recognise legacy income when it is probable that it will be received. This may include making an estimate of the fair value of the amount receivable. It is possible that the actual amount received differs from these estimates, particularly in the case where the charity is the beneficiary of a residual legacy. Legacy income recognised within the financial statements totalled £3,845,089 (2025: £2,704,937). Legacy income recognised that had not been received by the Charity at the year end totalled £3,755,572 (2025: £2,316,965).

  Where legacy income is in the form of Investment Properties the legacy income recognised is the market value of the properties at the time of probate. Any subsequent movement in market value is accounted for in line with the Fixed Asset Investments accounting policy.

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees consider the Group to have adequate resources to manage the risks the Group faces successfully for the foreseeable future, despite the current economic uncertainties.

Consolidation

The group Financial Statements consolidate the results of the Parent Company and its wholly owned subsidiary undertakings for the year ended 31 March 2026 using the acquisition method of accounting. Intra-group transactions and profits are eliminated fully on consolidation.

A separate statement of financial activities, dealing with the results of the Charitable Company, has not been presented as permitted by section 408 of the Companies Act 2006. The surplus for the charity (restricted and unrestricted) for the year was £1,819,130 (2025: deficit of £192,770).

Fixed Asset Investments

In accordance with the Charities SORP FRS 102 investments, other than those held for sale, are stated at market value, and treated as fixed assets. Any gains or losses on valuation are recognised in the Statement of Financial Activity.

Market Value of Investment Properties is identified based on either a valuation or movements in an appropriate index. Changes in their value are recognised in the Statement of Financial Activities for the year.

Investment in Subsidiary Undertakings

Investments in subsidiary undertakings are initially recognised at cost and subsequently at cost less accumulated impairment in the charity's balance sheet.

Fund Accounting

Funds held by the Charity are either:

- Unrestricted funds which comprise those funds which the Trustees are free to use in accordance with the charitable objects.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the Charity.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Designated reserves

The Trustees may, from time to time, designate reserves to cover specific projects and other potential commitments.

Expenditure

Expenditure is recognised when a liability is incurred and includes any irrecoverable VAT. Contractual arrangements are recognised as goods or services are supplied.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the operation of the hospice and the achievement of its objects and include both the direct costs and support costs relating to these activities.

Fixed Assets

All fixed assets are initially recorded at cost and subsequently at cost less depreciation and any impairment. The group and company applied the transitional arrangements of Section 35 of FRS102 and used a previous valuation as deemed cost at 1 April 2015.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Freehold property buildings - 2% on a straight-line basis
- Fixtures, fittings, and equipment – On a straight-line basis over 3 – 4 years and 10 years for solar panels
- Motor vehicles – On a straight-line basis over 4 years
- Leasehold property improvements – On a straight-line basis over 4 years
- Assets under construction – No depreciation until the asset is available for use

Intangible Assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are recognised at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are being amortised over the estimated useful economic life of ten years.

Intangible assets under construction are initially measured at cost. Amortisation is charged once the asset is in use and is amortised over its useful economic life.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The donated goods received for sale are recognised when sold and the Charity applies the FRS 102 exemption to the fair value being recognised on receipt. This is due to the impracticality and costs of recognition of value of goods on receipt.

Operating Lease Agreements

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

Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, when receipt is considered probable, and the amount can be measured with sufficient reliability.

Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned as the related goods and services are provided.

Legacies are included when the Charity is advised by the personal representative of an estate that payment will be made, or property transferred and the amount involved can be quantified. The accounting policy applied is that receipt of a legacy is recognised when:

- There has been grant of probate; and
- The executors have informed St. Margaret's that there are sufficient assets in the estate, after settling liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

This is in accordance with the Charities SORP (FRS102) Guidance and FRS 102.

Legacies which have been recognised but not yet received are included within debtors in legacy accrued income.

Investment income is recognised on a receivable basis.

Gifts in Kind

Gifts in kind are included within voluntary income and are included at their market value at the date of the gift, except for goods donated for sale in the Charity's shops which are accounted for when sold.

Pension Scheme Costs

The Charity operates a defined contribution pension scheme and participates in an NHS pension for those eligible. The pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Financial Instruments

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors together with loans to related parties.

Debt instruments, such as trade debtors and creditors, are initially measured at transaction price and subsequently measured at amortised cost.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

Volunteers and Donated Services and Facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Report.

Impairment of Non-Financial Assets

- **Intangible and Tangible Fixed Assets and Investments in Subsidiaries**
  These assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

  For impairment testing, the recoverable amount (being the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate independent cash flows in which case the recoverable amount is determined for the cash generating unit to which the asset belongs.

  Any difference between the carrying value and the recoverable value is recognised as an impairment expense in the statement of financial activities, in the year in which the impairment is identified.

Financial Statements



Notes to the financial statements

1. Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2026	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£	£	£	£
Private donations and 'in memory'	1,858,330	-	1,858,330	1,327,681	-	1,327,681
Legacies	3,692,533	152,556	3,845,089	2,587,705	117,232	2,704,937
Revenue Grants	165,117	800,455	965,572	119,284	321,471	440,755
	5,715,980	**953,011**	**6,668,991**	**4,034,670**	**438,703**	**4,473,373**

Included in legacies is £3,755,572 (2025: £2,316,965) which has been recognised in line with the accounting policy, which had not been received by the Charity at the year end.

2. Other Trading Activities

	Unrestricted Funds	Restricted Funds	Total Funds 2026	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£	£	£	£
Charity Shop income	6,712,347	-	6,712,347	6,423,682	-	6,423,682
Lottery income	617,098	-	617,098	648,061	-	648,061
Ancillary Trading	42,983	-	42,983	39,920	-	39,920
	7,372,428	**-**	**7,372,428**	**7,111,663**	**-**	**7,111,663**

3. Income from Investments

	Unrestricted Funds	Restricted Funds	Total Funds 2026	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£	£	£	£
Dividend income	163,983	-	163,983	176,757	-	176,757
Bank Interest Receivable	117,879	-	117,879	168,082	-	168,082
Rents received	158,683	-	158,683	175,318	-	175,318
	440,545	**-**	**440,545**	**520,157**	**-**	**520,157**

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
NHS Integrated Care Board	-	3,182,636	3,182,636	-	3,008,493	3,008,493
Other Charitable Income	-	248,799	248,799	-	227,164	227,164
	-	**3,431,435**	**3,431,435**	**-**	**3,235,657**	**3,235,657**

5. Expenditure on Raising Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Costs of generating voluntary income	1,046,212	-	1,046,212	936,355	-	936,355
Shop costs	5,455,774	-	5,455,774	5,158,268	-	5,158,268
Lottery costs	263,946	-	263,946	235,994	-	235,994
Investment Property Costs	8,160	-	8,160	8,448	-	8,448
Investment Management Fees	59,636	-	59,636	57,670	-	57,670
	6,833,728	**-**	**6,833,728**	**6,396,735**	**-**	**6,396,735**

Allocation of Support Costs

	Direct Costs £	Support Costs £	Total Costs 2026 £	Direct Costs £	Support Costs £	Total Costs 2025 £
Voluntary Income Generation costs	848,555	197,657	1,046,212	739,044	197,311	936,355
Shop costs	4,543,613	912,161	5,455,774	4,333,974	824,294	5,158,268
Lottery costs	249,360	14,586	263,946	220,458	15,536	235,994
Investment Property Costs	8,160	-	8,160	8,448	-	8,448
Investment Management Fee	59,636	-	59,636	57,670	-	57,670
	5,709,324	**1,124,404**	**6,833,728**	**5,359,594**	**1,037,141**	**6,396,735**

6. Costs of Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
In-Patient Unit	2,731,431	1,685,152	4,416,583	1,558,696	2,552,115	4,110,811
Community Care	3,274,069	2,059,630	5,333,699	3,736,093	1,012,670	4,748,763
Education	383,945	-	383,945	386,682	-	386,682
	6,389,445	**3,744,782**	**10,134,227**	**5,681,471**	**3,564,785**	**9,246,256**

	Direct Costs £	Support Costs £	Total Costs 2026 £	Direct Costs £	Support Costs £	Total Costs 2025 £
In-Patient Unit	3,432,583	984,000	4,416,583	3,259,021	851,790	4,110,811
Community Care	4,092,824	1,240,875	5,333,699	3,669,550	1,079,213	4,748,763
Education	289,848	94,097	383,945	289,887	96,795	386,682
	7,815,255	**2,318,972**	**10,134,227**	**7,218,458**	**2,027,798**	**9,246,256**

7. Allocation of support costs

	Shop Costs £	Lottery £	Costs of Generating Voluntary Income £	In-patient Unit £	Community Care £	Education £	Total 2026 £	Total 2025 £
Staff costs/salaries	621,778	9,943	134,734	670,748	845,848	64,141	2,347,192	**2,049,004**
General Office	72,403	1,158	15,689	78,105	98,495	7,469	273,319	**414,719**
Finance Office	11,680	187	2,531	12,600	15,889	1,205	44,092	**31,353**
Information Technology	172,819	2,763	37,448	186,430	235,098	17,828	652,386	**465,955**
Legal/professional	26,358	421	5,711	28,433	35,856	2,720	99,499	**74,628**
Governance	2,712	43	588	2,926	3,689	280	10,238	**12,955**
Audit	4,411	71	956	4,758	6,000	454	16,650	**16,325**
	912,161	**14,586**	**197,657**	**984,000**	**1,240,875**	**94,097**	**3,443,376**	**3,064,939**

Support costs are calculated according to the level of payroll costs per activity area.

8. Fixed Asset Investments Group

Net gains/(losses) on investments

Group & Charity

	2026	2025
	£	£
Net unrealised gains on investment	918,073	125,833
Net realised (losses) on investments	(80,237)	(40,629)
Net gains on investments	**837,836**	**85,254**

Listed Investments

Group & Charity

Movement in market value:	2026	2025
	£	£
Market Value at 1 April	9,296,908	9,209,824
Acquisitions at cost	1,999,907	1,473,083
Disposals	(2,758,380)	(1,682,263)
Net investments gains	838,736	69,195
Movement in cash held for investment	801,060	227,069
Market Value at 31 March	**10,178,231**	**9,296,908**
Historical Cost	7,832,467	7,567,446

Investment Properties

Group & Charity

Market Value at 31 March	**453,887**	**454,787**

The fair value of investment properties is based upon the market value. Properties are periodically valued by an external professional valuer.

Investments in subsidiaries

Charity

	2026	2025
	£	£
At 1 April	100	200
Disposals	-	(100)
At 31 March	**100**	**100**

Analysis of investments at 31 March 2026 between funds

Group

	Unrestricted Funds	Total Funds 2026	Total Funds 2025
	£	£	£
Listed Investments			
UK quoted fixed interest securities	2,068,919	2,068,919	1,479,702
Overseas fixed interest securities	264,793	264,793	504,396
UK quoted shares	1,253,006	1,253,006	1,487,583
	3,586,718	3,586,718	3,471,681
Other Investments			
UK Investment property	453,887	453,887	454,787
Overseas investments	4,873,704	4,873,704	4,980,428
Other UK investments	737,803	737,803	673,853
UK cash	980,006	980,006	170,946
TOTAL	**10,632,118**	**10,632,118**	**9,751,695**

Analysis of investments at 31 March 2026 between funds

Charity

	Unrestricted Funds	Total Funds 2026	Total Funds 2025
	£	£	£
Listed Investments			
UK quoted fixed interest securities	2,068,919	2,068,919	1,479,702
Overseas fixed interest securities	264,793	264,793	504,396
UK quoted shares	1,253,006	1,253,006	1,487,583
	3,586,718	3,586,718	3,471,681
Other Investments			
UK Investment property	453,887	453,887	454,787
UK Group undertakings	100	100	100
Overseas investments	4,873,704	4,873,704	4,980,428
Other UK investments	737,803	737,803	673,853
UK cash	980,006	980,006	170,946
TOTAL	**10,632,218**	**10,632,218**	**9,751,795**

9. Net Income/(Expenditure)

This is stated after charging:

	2026	2025
	£	£
Staff pension contributions	1,014,884	934,130
Depreciation	470,267	435,349
Amortisation	50,118	41,777
Impairment of Intangible Assets	122,711	-
Operating lease costs	506,852	508,146
Redundancy costs	-	3,795
Audit Fees payable to the Company's auditor:		
- Audit of group and parent consolidated accounts	16,300	15,825
- Audit of the Company's subsidiaries	1,000	500
- Taxation services	1,905	1,750
- Other services	1,905	1,750
Total amount payable to the Company's auditor	**21,110**	**19,825**

10. Staff Costs and Emoluments

Total staff costs were as follows:

	2026	2025
	£	£
Wages & Salaries	9,527,697	9,028,759
Social Security	1,136,176	832,770
Other pension costs	1,014,884	934,130
	11,678,757	**10,795,659**

During the year two Trustees were reimbursed £nil for expenses (2025: £179). No trustees received any remuneration in either year. The average number of employees (headcount) during the year was 378 (2025: 369).

The full-time equivalent staff numbers were as follows:

	2026	2025
Clinical	127	116
Education staff	5	5
Fundraising, charity shops and lottery staff	97	97
Administration staff	47	49
	276	**267**

The number of employees whose emoluments (excluding employer national insurance) exceeded £60,000 for the year and fell within the following bands, were as follows:

	2026	2025
£60,000 - £69,999	2	3
£70,000 - £79,999	2	-
£80,000 - £89,999	3	3
£90,000 - £99,999	1	2
£120,000 - £129,999	2	1
	10	**9**

Salaries and benefits paid to key management personnel during the year, excluding Trustees, amounted to £785,934 (2025: £764,225). There is no accrual for holiday pay as the organisation's holiday year ends on 31st March and is enforced. Exceptional circumstances are considered by the Chief Executive on a case-by-case basis.

11. Intangible Fixed Assets

Group & Charity

	Software £	Total £
Cost		
As at 1 April 2025	486,042	486,042
Additions	28,235	28,235
Disposals	-	-
As at 31 March 2026	**514,277**	**514,277**
Amortisation		
As at 1 April 2025	152,032	152,032
Charge for the year	50,118	50,118
Disposals	-	-
Impairment	122,712	122,712
As at 31 March 2026	**324,862**	**324,862**
Net Book Value		
As at 31 March 2026	**189,415**	**189,415**
As at 31 March 2025	**334,010**	**334,010**

12. Tangible Fixed Assets

Group & Charity

	Freehold Property & Assets under Construction	Fixtures, Fittings & equipment	Motor Vehicles	Leasehold Property Improvements	Total
	£	£	£	£	£
Cost					
As at 1 April 2025	10,404,637	1,786,185	77,238	808,441	13,076,501
Additions	367,604	597,389	31,260	1,584	997,837
Disposals	-	(125,571)	-	-	(125,571)
As at 31 March 2026	**10,772,241**	**2,258,003**	**108,498**	**810,025**	**13,948,767**
Depreciation					
As at 1 April 2025	4,065,962	1,185,431	77,238	747,010	6,075,641
Charge for the year	203,198	229,504	6,250	31,315	470,267
Disposals	-	(125,571)	-	-	(125,571)
As at 31 March 2026	**4,269,160**	**1,289,364**	**83,488**	**778,325**	**6,420,337**
Net Book Value					
As at 31 March 2026	**6,503,081**	**968,639**	**25,010**	**31,700**	**7,528,430**
As at 31 March 2025	**6,338,675**	**600,754**	**-**	**61,431**	**7,000,860**

13. Stocks

	Group		Charity	
	2026	2025	2026	2025
	£	£	£	£
New goods purchased for resale	140,565	138,174	-	-
	140,565	**138,174**	**-**	**-**

14. Debtors due after more than one year

	Group		Charity	
	2026	2025	2026	2025
	£	£	£	£
Amounts due from subsidiary undertaking	-	-	141,815	139,049
	-	**-**	**141,815**	**139,049**

15. Debtors

	Group		Charity	
	2026	2025	2026	2025
	£	£	£	£
Trade Debtors	88,001	72,414	88,001	72,414
Other Debtors	223,892	115,814	223,892	115,814
Legacy accrued income	3,755,572	2,316,965	3,755,572	2,316,965
Prepayments and accrued income	1,047,824	796,396	1,047,824	796,396
	5,115,289	**3,301,589**	**5,115,289**	**3,301,589**

16. Creditors: Amounts falling due within one year

	Group		Charity	
	2026	2025	2026	2025
	£	£	£	£
Trade Creditors	675,280	479,679	675,280	479,679
Prepaid Lottery subscriptions	73,227	73,405	73,227	73,405
Accruals & Deferred Income	391,424	361,097	391,424	361,097
Taxation and Social Security	219,733	189,423	219,733	189,423
Other Creditors	113,776	105,593	113,776	105,593
	1,473,440	**1,209,197**	**1,473,440**	**1,209,197**

Thank you for your ongoing support

Our full Annual Report and Audited Accounts can be obtained at St Margaret's Hospice, Heron Drive, Bishops Hull, Taunton, TA1 5HA or via st-margarets-hospice.org.uk/reports



St Margaret's Hospice Care