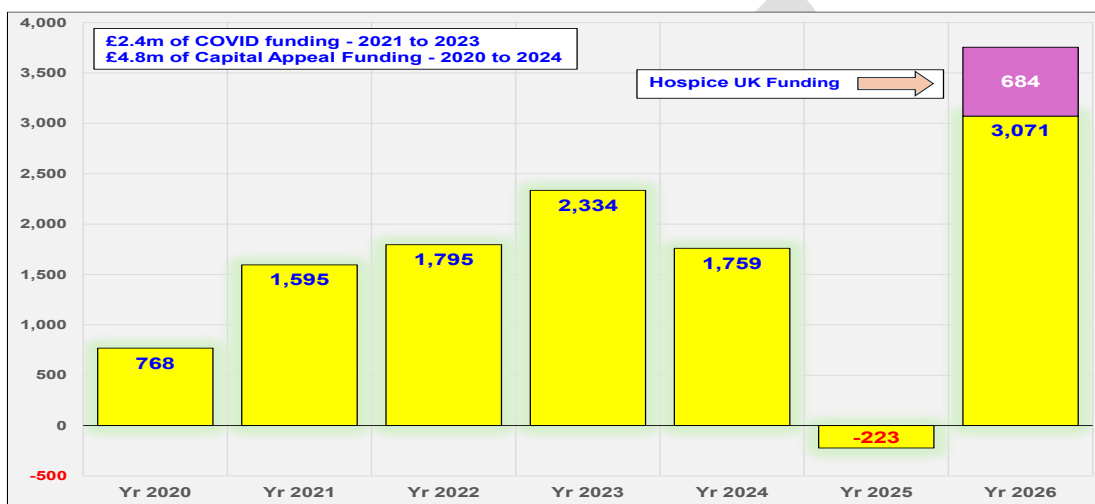


StCH Finance overview for CEO candidates DRAFT

NB: StCH 2025-26 financial results are DRAFT and yet to be approved by its auditors

StCH Operating Surplus/Deficit performance:

From 2018 to 2024, StCH was engaged in capital and revenue income generation while also benefiting from Government Covid support funding (2020-2023) alongside the generosity of thousands of supporters helping us meet our running costs and the full cost of the new build programme at Grace Holland Avenue, Pease Pottage.



Alongside the entire hospice sector, the last two years have been among the most financially challenging in our charity's history, reflecting cost of living pressures on the entire UK economy. Even with the benefit of the 2025-26 Government funded Capital support grant (£100M to all UK hospices via Hospice UK in the last FY), many hospices are currently facing significant and ongoing financial difficulties, driven by rising costs, increasing demand for services and a lack of long-term, sustainable funding from government. Against this backdrop, we experienced a period of acute financial pressure that required difficult decisions, refocusing our service model, change management and a collective effort to strengthen our income generation activity.

All Amounts in £000s						
Description	Provisional Year 2026	Budget Year 2027	Forecast Year 2027	Indicative Year 2028	Indicative Year 2029	Indicative Year 2030
Total Income	15,808	13,159	13,793	13,933	14,439	14,914
Total Costs	12,737	13,336	13,498	13,757	14,078	14,472
Operating Surplus / Deficit	3,071	-177	295	176	362	442
Surplus / Deficit as a % of Income	19.4%	-1.3%	2.1%	1.3%	2.5%	3.0%
Opening Operating Reserves:	6,312		9,383	10,126	10,043	10,131
In-Year Movement	3,071		295	176	362	442
Surplus on sale of MHR			449			
Transfers to Designated Reserves			-1	-259	-273	
Current Operating Reserves	9,383		10,126	10,043	10,131	10,573
Operating Reserves as a % of Costs	73.7%		75.0%	73.0%	72.0%	73.1%

As can be seen in the table above, thanks to the extraordinary commitment of staff, volunteers and supporters, we have emerged from this period in a far stronger position.

While forecasting prudently in relation to legacy income expectations and NHS funding, fundraising income has performed really well, increasing significantly over the past two years. This growth has been driven in part by the exceptionally generous response from our community during our 2024 financial crisis, demonstrating the deep trust, loyalty and belief people have in our hospice. Crucially, however, this recovery has also been underpinned by the strength and determination of all our teams and by solid and hospice wide cost controls. Colleagues all understand the need for value, while throughout the income generation (retail & fundraising) and marketing directorate there has been tireless work to improve performance, strengthen processes, refine structures and adopt more effective ways of working. These improvements are now translating into more sustainable income and greater organisational resilience.

In retail, a key driver has been the introduction of a new superstore, which is delivering a much needed step change in our retail income. Early performance is encouraging and we are confident that retail will remain a growing and increasingly important part of our income mix over the coming years. This success reflects a sharper focus on commerciality.

However, we are realistic about the voluntary income challenges and risks ahead. We also recognise the pressures on NHS funds locally given wider system change. We understand ongoing cost pressures driven by inflation. Maintaining momentum in building forward as we move beyond a crisis narrative will require confidence, creativity, appropriate commercialism and continued discipline.

We are also acutely aware of the wider global economic climate and its impact on donors' cost of living, disposable income and long-term giving behaviours. Despite this, we are cautiously optimistic. Recent investment in income generation is already paying dividends, and we believe there is significant untapped potential still to be realised.

Our strategic plans are ambitious though grounded, seeking to build sustainable growth, an exceptional place to work and volunteer, system relevance and value, collaboration with others as well as the ongoing commitment to patient/family services of the highest quality - both at our GHA site and throughout the community we service across west Sussex and east Surrey.