

DOUGLAS MACMILLAN HOSPICE

England & Wales · Charity number 1071613

Details

Status Registered

Legal form Charitable company

Company number [03615904](#)

Registered 1998-09-18

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: 1) THE RECEPTION AND CARE OF PERSONS RESIDENT IN THE UNITED KINGDOM AND PARTICULARLY THE COUNTIES OF STAFFORDSHIRE CHESHIRE DERBYSHIRE AND SHROPSHIRE WHO ARE SUFFERING FROM CANCER OR OTHER TERMINAL ILLNESSES AND UNDERTAKING SUCH OTHER ACTIVITIES AS MAY BE APPROPRIATE AND ANCILLARY TO THE CARE OF PERSONS RESIDENT AND SUFFERING AS AFORESAID (SUBJECT TO THE PROVISIONS CONTAINED IN THIS MEMORANDUM AND THE ARTICLES OF ASSOCIATION OF THE CHARITY) IN ACCORDANCE WITH SUCH RULES AND REGULATIONS AS THE DIRECTORS OF THE CHARITY SHALL FROM TIME TO TIME IN THEIR ABSOLUTE AND UNFETTERED DISCRETION THINK FIT AND WITHIN THE LIMITS OF AVAILABLE FINANCIAL RESOURCES; THE INTENTION BEING THAT THE MANAGEMENT OF THE CHARITY AND THE ADMISSION OF PERSONS AND THE NUMBERS AND QUALIFICATION OF SUCH PERSONS FOR ADMISSION AND THE DURATION AND THE CONDITIONS OF THEIR RESIDENCE THERE AND ALL OTHER MATTERS IN CONNECTION WITH THE SUCCESSFUL CARRYING ON OF THE CHARITY SHALL BE WITHIN THE EXCLUSIVE COGNISANCE OF THE DIRECTORS WHO MAY (SUBJECT AS PROVIDED IN THIS MEMORANDUM AND THE ARTICLES OF ASSOCIATION OF THE CHARITY) MAKE RESCIND OR VARY AT ANY TIME FROM TIME TO TIME THE REGULATIONS AND CONDITIONS WHICH ARE TO GOVERN THIS WITHOUT BEING RESPONSIBLE TO ANY PERSON IN THAT CONNECTION; 2) THE ADVANCEMENT OF THE EDUCATION OF HEALTH CARE WORKERS AND MEMBERS OF THE PUBLIC IN ALL ASPECTS OF PALLIATIVE CARE

Activities: To promote holistic care for those with a limited life expectancy, whose disease has entered the palliative phase, respecting their individuality & choice. Support is provided at home, as an In/Out-patient or via Day Therapy, ensuring the best possible quality of life. Our services aim to meet the needs of our patients' and carers at all stages of their journey.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** THE UNITED KINGDOM AND PARTICULARLY IN THE COUNTIES OF STAFFORD CHESTER DERBY AND SALOP
- Staffordshire
- Stoke-on-trent City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£21,745,692	£20,964,447	£29,595,706	499
2024-03-31	£18,956,389	£19,034,263	£28,747,353	451
2023-03-31	£17,668,084	£17,523,657	£28,083,689	433
2022-03-31	£20,388,940	£14,820,981	£27,847,808	401
2021-03-31	£18,916,914	£11,645,283	£21,254,299	339

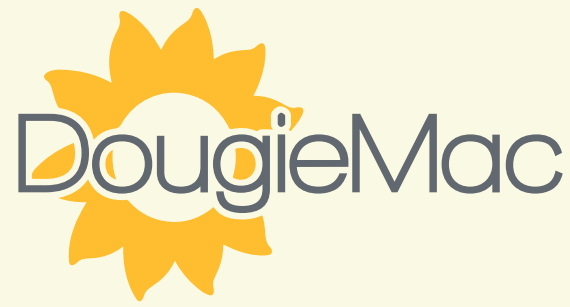
Trustees

Name	Role	Appointed
MRS S P EVANS	Chair	
Dr Aideen Walsh		2025-11-13
Janet Warren		2022-11-16
Joanne Miller		2017-10-30
Martin Tideswell		2023-11-16
Patricia Margaret Rathbone		2016-10-31
Terry Stanway		2018-10-30
Tony Pegg		2023-11-16

DOUGLAS MACMILLAN HOSPICE

England & Wales - Charity number 1071613

Accounts



Because you care.

We can.

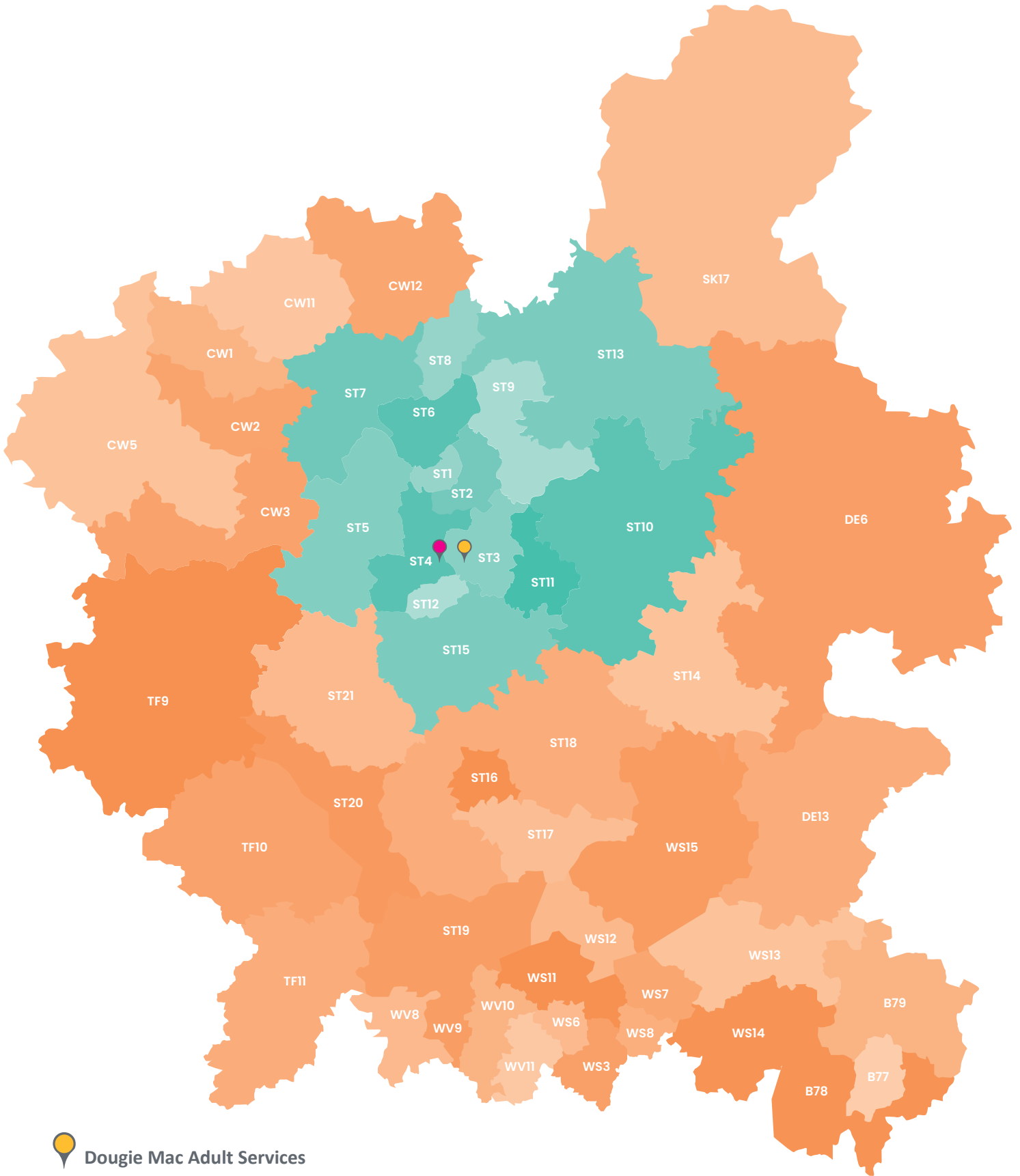
2024 – 2025

Trustees' Annual Report and Financial Accounts

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Service Delivery Map



Dougie Mac Adult Services



Dougie Mac Children & Young Adult Services



Adult and Children's Service Delivery



Children and Young Adults Service Delivery only (Adult Services provided by other regional hospices)

This map is intended as a visual representation to show the scale and breadth of Dougie Mac's service delivery. Not all areas of every postcode are covered.

CEO Report

It is my pleasure to introduce this Annual Report for the financial year 2024/25, which illuminates the impact that our hospice has on the local community we serve.

Since 1973, Dougie Mac has contended with financial headwinds that inevitably face UK charities, but once again in this past year, we have shown resilience and authentic financial sustainability. An operating surplus of £1.03 million rooted in an increase in income of 14.7% would be highly creditable in any year, but in the context of the economic turbulence of this particular period, it is quite outstanding. Of course, our reliance on the kindness and generosity of the people and businesses in North Staffordshire is at the core of our financial strength. Our aim is always to repay that phenomenal support by delivering excellence in palliative and end of life care right across the “all age” spectrum of hospice services that we offer to local people and their families.

Having a balance sheet of £29.5 million is, of course, a hallmark of our financial strength but what really matters is how we sustain that underpinning of hospice care by expanding our clinical services and by growing the impact we have on the local health economy. This Report spotlights ample evidence of Dougie Mac doing precisely that.

Looking ahead, 2025 feels like a pivotal year for two main reasons; firstly, the recent publication of the NHS 10 Year Health Plan for England, “Fit for the Future”. This Plan envisages a “neighbourhood health service” where integrated neighbourhood teams, with multi-disciplinary expertise can shift the excessive reliance on hospital admissions to a more tailored locally-focussed delivery. Dougie Mac is well placed to play a leading role in this model, specific to specialist palliative and end of life care.

Secondly, the Terminally Ill Adults (End of Life) Bill passed its third reading in the Commons and will make its way through the House of Lords towards Royal Assent in late 2025 or early 2026. The Bill is silent on the role of hospices in assisted dying, but pleasingly the recent amendments were secured which require the Health Secretary to consult with hospices when developing guidance on the operation of any legalised assisted dying service. At Dougie Mac we would like the time and flexibility

to determine the extent to which our hospice would be impacted, but crucially what the Act should necessitate is a government commitment to better state-funding for hospice care, so that hospices are not disadvantaged by an emerging state-funded assisted dying service.

The phrase “game changer” is overused these days but may actually be an accurate summation of these two innovations in our health landscape in England.

It is customary to conclude my introduction to the Annual Report each year with an expression of gratitude to the wonderful staff and volunteers at Dougie Mac. This year is no exception. There are over 500 staff and more than 800 volunteers at Dougie Mac and collectively they are the most formidable colleagues I’ve ever worked with. Individually, they combine compassion, dedication, loyalty and tenacity, with such a humble approach to the difference they can make to peoples’ lives. My thanks to all my team and to everyone who helps us do the amazing work that we do.



David Webster, Chief Executive



Our Care

Dougie Mac cares for people of all ages diagnosed with a life-limiting illness in North Staffordshire and the surrounding areas, with our Children and Young Adult Services extending care even further afield.

We deliver a wide range of services to adults facing life-limiting conditions - from cancer to non-cancer diagnoses such as advanced heart failure, motor neurone disease and dementia. Our Children and Young Adult Services support our youngest service users who live with a variety of conditions caused by illness or injury, often with complex and specific needs.

We also provide support and guidance to the loved ones of those under our care; ensuring they receive practical and emotional support whenever they need it.

This year, our takeover of Approach Dementia Support marked a key milestone for the hospice. Integrating this support into our Adult Care Services reaffirms our commitment to meeting the growing need for dementia care in our community.

Our Dementia Services team offers expert care and support to families living with dementia. This includes wellbeing groups for patients and their carers, one-to-one support and carer training.

Depending on individual needs, we provide care at the hospice, in the family home, or within the wider community. Our mission is to respond to the increasing needs of those we serve by growing a sustainable organisation that always remains true to our core values.

We strive toward a vision of being admired as a centre of excellence for palliative and end of life care, ensuring that everyone who uses our services receives **the right support, at the right time, by the right people.**



77%

of all that we do is funded by the community supporting our fundraising.

Our Values

Our Vision is... to be admired as a centre of excellence for palliative and end of life care.

Our Mission is... to respond to the increasing needs of those in our care across our heartland by growing as a sustainable organisation delivering outstanding value for money for all our funding sources and always remaining true to our core values.

Our Values are...



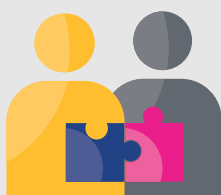
Compassion

Working together by considering the views of others, understanding the challenges they face and providing support.



Accountability

Taking personal responsibility for our actions, owning our decisions and behaviours.



Respect

Always trusting, listening and challenging each other. Understanding that we are at our best as individuals whilst working as a team.



Excellence

Embracing excellence by empowering and motivating each other to be the best that we can be.

Super Support Services 24/25

Our vital Support Services work behind the scenes to ensure Dougie Mac maintains the highest standards, ensuring facilities are safe, clean and homely for all who need them.



11,440
sandwiches made



Over
120
fire
extinguishers
serviced

6 hospice
buildings



Over
400
smoke detectors,
heat sensors and
call points tested



Over
900
oxygen
cylinders
changed for
our Adult
Inpatient Services



432
bottles of washing up liquid



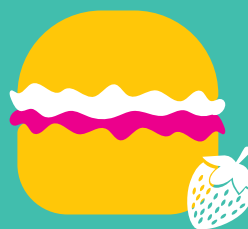
5/5 Food Hygiene Rating



2,076
maintenance and
repair tasks

14,400

disinfection
tablets used



4,380
scones baked

Hospice gardens at our Children & Young Adult Services in Trentham and Adult Services in Blurton were both recognised as **“Outstanding”** by the RHS “It’s Your Neighbourhood” scheme.

A welcome smile and friendly hello

Our friendly Reception teams are the first people you meet when you arrive at our hospice sites in Blurton and Trentham. Consisting of staff and volunteers, each year they welcome hundreds of visitors and answer thousands of telephone calls.



Diane Smallwood began volunteering for us 14 years ago, inspired by the care her parents received from our Adult Services including our Hospice at Home team.

She began volunteering at our Adult Services and for the last four years has dedicated one morning a week to work on the Reception at our Children's Services.

Diane said: "Volunteering feels like giving back. Each shift is different - you meet wonderful people, even during difficult times."

"Building relationships with the children and families is incredibly rewarding and while it can be emotional volunteering here, it's also a very happy place."

Diane is proud to volunteer for Dougie Mac. "The staff are amazing and supportive. As a volunteer receptionist, empathy and compassion are essential and you should not be afraid to show your emotions – after all we're all human."

Hospice Voice

Our Marketing and Communications team has continued to shine a light on all things Dougie Mac this year – the people, care and support that make the hospice special. By working closely with all areas of the organisation and through creative campaigns, storytelling and digital connection, we've helped raise awareness, inspire generosity and strengthen Dougie Mac's presence across the region.

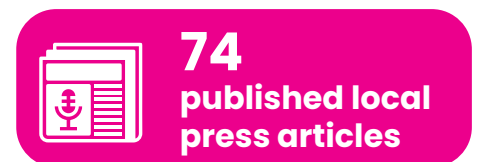
Supporting every part of the hospice, from behind-the-scenes operations to our front-line clinical teams, we've produced a wide range of materials to inform and engage. On the next page, you can read some snippets of the stories we've helped tell – heartfelt accounts from those who have experienced our care first-hand, reminding us why the hospice matters to our community.

This year, the team has delivered more than **50 income generation initiatives**, coordinating communications and PR to provide whatever is needed to maximise their success. Each campaign has included the design and production of materials such as external advertising, social media assets, mailing packs and supporter emails – as well as the preparation of targeted data files to ensure every message reaches the right audience.

Together, these efforts ensure that every story, design and campaign puts people at the centre of what we do and reflects the values of our hospice.

Our Year in Numbers

A snapshot of our Marketing & Communications impact – from design projects and media coverage to digital engagement and campaign reach.



42,261 Facebook Interactions

68,600 unique website visitors

Our website is always there for those who may need our help, or, for those who would like to help us.



www.dougiemac.org.uk

search





“When I had a really bad day, experiencing frightening sudden pain, I knew who to call, my fourth emergency service – my Dougie Mac team.”

“The advice and support Mum received from Dougie Mac has been amazing. The 24-hour Advice Line were incredible, just being able to pick up the phone at any time of the day and night for advice on Mum’s condition or her medication was a God-send.”

“Thanks to the team, we were able to make the most magical and amazing memories with my Dad to make sure his last days with us were very special.”

“One night respite is enough for both of us. For me, it’s a chance to just have a lie in and have some time to myself without rushing around. Kieran loves joking and playing games with the care team.”



Our Strategic Goals

The financial period from April 2024 to March 2025 is the second year of our three-year strategy.

The hospice's three-year strategy from April 2023 – March 2026 is a three-year plan designed to show how our mission, vision and values interact to create an ambitious and robust plan which will guide our decision making during this period.

Our Strategic Plan sets out seven strategic priorities:



1

Recruit, retain and develop a compassionate, committed workforce

Dougie Mac has a good reputation for staff engagement and satisfaction, our aim is to continue with measures to develop, retain and recruit a professional, compassionate and committed workforce.



2

Continue to integrate our children & young adult services to widen their impact

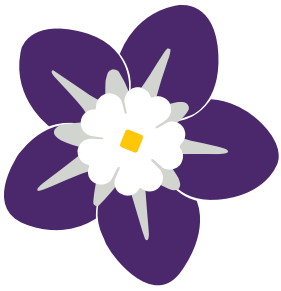
Dougie Mac is an “all age” hospice and so we aim to fully integrate our Children and Young Adult Services so that their impact can be more widespread.



3

Tackle inequality in accessing specialist, end of life care

Dougie Mac aims to play our part as an active partner seeking to improve outcomes in local population health, tackling inequality of access to high quality palliative and end of life care.



4

Expand our response to the intensifying need for dementia support

Dougie Mac's goal is to expand our response to the intensifying need for support and palliative care for local people with dementia.



5

Develop environmental sustainability approach in all areas of the hospice

Our community is at the heart of what we do, and we are committed to minimising the environmental impact of our work and being a greener charity.



6

Continue the growth of our Wellbeing Services

Dougie Mac is committed to holistic, personalised care for our patients, so we intend to extend our Wellbeing Service.



7

Reinforce our financial stability with effective cost management & income generation

Dougie Mac is committed to reinforcing the financial sustainability of the hospice by wise financial management and astute control of costs and resources.

1 Recruit, retain and develop a compassionate, committed workforce

We take great pride in the way our dedicated staff and volunteers work together to deliver the highest standard of care and support to the people we care for, their families and our wider community. We are committed to attracting, nurturing and retaining talented individuals into our much-valued teams.

Our vision to be recognised as a centre of excellence is validated by external accreditations and we strive to maintain a 3-star rating with Best Companies as well as being recognised as High Performing within the Investors in Excellence framework.



116

new starters



499

members of staff



804

volunteers



115

jobs advertised

Joining Dougie Mac

Although we do continue to face some challenges in the healthcare recruitment arena, we were pleased to welcome 116 new starters across the organisation throughout the year; 18 of whom were recruited at our two recruitment events, which were held again following the previous year's success.

"Everything has been very smooth from start to finish and the support I received on my first day was incredible."

"Having a friendly, supportive and welcoming team to meet."

"The professionalism of everyone involved and the friendliness of different teams."

Volunteers

Our effective use of volunteers across all areas of the charity is an essential element of our ambitious strategy. We strive to develop our engagement with our current volunteers while looking at opportunities to expand our committed volunteer base.

At the start of 2024, we launched a campaign to recruit volunteers with the aim of reaching 100,000 hours of volunteering in 2024. This target was surpassed before the end of the year, with our dedicated volunteers giving 102,734 hours by December – more than 8,000 hours each month!

To ensure our newly recruited volunteers are fully engaged with our work from the start of their volunteering journey, we successfully relaunched our volunteer welcome meetings. Each new volunteer is invited to attend a welcome session so that they can learn about Dougie Mac, meet our Chief Executive, Directors and our Chair of Trustees.



107,885

hours volunteered



17.6%

increase in volunteer hours



43

hospice teams supported by volunteers

Corporate Volunteers

Our corporate volunteer programme also saw a big increase in popularity. Businesses can come in and spend the day with us to volunteer during their work hours. Almost 5,000 corporate volunteer hours were donated in 2024/2025 which demonstrates the fantastic support we receive from our business community.

Celebrating Our People

Our staff like to recognise colleagues who are demonstrating our values and performing excellently in their roles by submitting a "GREATix". Staff can submit details of their peers' achievements which are then automatically shared with the Directors and can be seen by all staff members on our Intranet.



264

GREATix submitted

Staff are also encouraged, on an annual basis, to nominate their deserving peers for a Dougie Award. The annual awards are an opportunity to recognise the hard work and dedication of Dougie Mac colleagues and teams across six categories. The awards evening is held in May each year and is also an opportunity to celebrate staff long service.

Congratulations to our winners in 2024:

Newcomer of the Year – Ellie Beardmore

Supporting Excellence – Fiona Chater

Team of the Year – Reception

Excellence in Clinical Care – Thomas Pond

Income Generation Excellence – Samantha Holgate

Star of the Year – Linda McNee



To thank our volunteers, we continued to increase our social calendar which proved popular with our volunteers. Around 100 volunteers attended our celebration at the local venue, SixTowns Gin, to mark Volunteers Week. With live music and food, everyone enjoyed a relaxed afternoon. Meanwhile at Christmas, we held a pub quiz with the title of Volunteer Christmas Quiz Winners being a much sought after accolade, while the team with the least points all received a wooden spoon.

Our tradition of a volunteers' Christmas card continued at the end of 2024, with the card design made up of 100 volunteer photos. Our volunteers had great fun trying to spot themselves and their fellow volunteers.

Listening to Our People

We were again recognised by Best Companies in 2024, maintaining our three-star accreditation and remaining as a 'World Class' organisation to work for. As always, this accreditation is based on anonymous employee feedback.



In April, we changed our payroll schedule to support bank staff, who are flexible workers we call upon to support with increased demand and fluctuating workload. This year, 3,307 transactions were administered in our new weekly schedule to improve the financial flexibility for the staff who complete these bank hours for the hospice.

In the run up to Christmas we launched an interactive Christmas Tree message board for our staff and volunteers to share festive cheer with their colleagues. We also had Christmas lunches, an advent calendar daily raffle and a festive quiz for our staff.

We also celebrated Dougie Mac's CARE values through a series of events for staff and volunteers. Our CARE values underpin everything that we do and the day was an opportunity to thank our staff and volunteers for the great work they do to demonstrate and live the values.

319 volunteers took part in the volunteer survey this year which was 45% of current volunteers at the time. Over the last three years, we have seen a consistent increase in participation figures which we are extremely proud of as well as continuing to exceed considerably the industry average of 20%.



Volunteering is a two-way ticket. It benefits me as much as I hopefully benefit the hospice.



I have a great deal of respect for the Dougie Mac charity and the work it does. I feel proud to say I volunteer for you and plan to continue for many more years to come.



Developing our People

17%

of our Young Adult Services team are benefiting from professional development opportunities



18

staff utilising our apprenticeship levy

12,067

CPD hours



135

staff wellbeing session hours



110

new starters attended a welcome event



92.73%

Compliance Training completion



226

Learning & Development sessions



Apprenticeships

An apprenticeship is a system for training a new generation of skilled people with on-the-job training. Many of our staff have gained their skills through apprenticeships including our trainee nursing associates. At Dougie Mac we currently have 15 staff completing an apprenticeship and have an additional 3 members of staff employed as an apprentice in our Wellbeing, I.T. and Fundraising teams.

Apprentices learn directly from experienced colleagues while working in a real-world setting. They commit to a structured programme that combines practical work with formal learning, ensuring they develop both competence and confidence in their role.

Each year we celebrate the success of all our staff completing external learning, this includes those who have completed or are working towards their qualification.



Julie Cooper,
Clinical Risk and Assurance -
Data Technician Level 3 - passed with
a Distinction grade

How are apprentices or apprenticeships funded?

As an employer, we must pay into an Apprenticeship Levy each month as we have an annual pay bill of more than £3 million. This levy money can then be used to fund apprenticeship courses for Dougie Mac staff including an apprentice.



“The apprenticeship has helped me improve and polish the data skills I already had and gain new skills to produce better reports and visualisations. The biggest win for me is the new skills I have learned which have enabled me to start automating data tasks, which is a huge saving of time. I have learned how to use Power Query to automate the cleansing of data, and Power BI to create engaging, informative dashboards.

“In the digital world we are now in, the insight into the importance of data and how to communicate it to a variety of audiences has been invaluable. I would encourage anyone involved with data analysis, reporting and presenting to complete this course, it is **brilliant!**”

- Julie

2 Continue to integrate our children and young adult services to widen their impact

Following recruitment challenges last year, the Children's and Young Adult Services achieved full staffing levels this year and now have resources to meet increasing demand.

We have also expanded availability of quality respite care, day care visits, sibling support, exciting and life-affirming activities for children and young adults, all of which are hugely welcomed by their families.



Children's Community Support

Children's palliative conditions are becoming increasingly more complex due to medical advancements and treatments, and they are living longer. This puts huge pressure on families to navigate all the services involved with their care, manage their child's condition, coordinate appointments and make confident decisions. Dedicated community support is vital, both in the home and/or in hospital, to support families and give them choice with their place of care.

It is difficult to put into words how valuable my home support is, I would not survive without it. I am stuck in the house, a single mum, unable to go out with my daughter because she's too poorly with so much equipment and can't travel in a car.

The hospice staff are so caring and I trust them, they help with so many things and she loves the activities they do and they keep me going, thank you.

We took our work outside the hospice building a step further, after a successful pilot with two other care providers – a project that has been hailed a **“beacon of collaborative working”**.

Dougie Mac Hospice, Midlands Partnership University NHS Foundation Trust (MPFT) and the University Hospitals of North Midlands (UHNM) joined forces to ensure that families of local children with life-limiting conditions have better choices around their child's care.

The need for a more collaborative approach was identified by the hospice and the paediatric consultants from UHNM who were also caring for children at Dougie Mac Children's Services.

A formal project was established and an application to NHS England for funding was made alongside funding from the Integrated Care Board (ICB). Funding for a four-year pilot between Dougie Mac, MPFT and UHNM was granted in 2020 and the group began to offer symptoms clinics at Dougie Mac's Children's Services from late 2020.

The funding also included the recruitment of two full-time roles – a Community Nurse Specialist (CNS) and a Physiotherapist and both these posts were filled in 2022.

As the pilot was nearing its end, a business case was put forward to the ICB to request the continuation of the funding; there was enough evidence and demonstration of achievements from the pilot that the business case to continue the model, and further increase the resource, was successful.

As a result, an additional CNS role and another Physiotherapist role have been created, with both posts filled in the summer of 2024. The four roles are now able to support children and their families, wherever and whenever they need it.

Following further successful recruitment within the hospice team, we also now have three community nurses & three healthcare support workers to provide clinical care, symptom management, therapeutic play and diversional therapy, memory making and end of life care in the community.

In 24/25 Children's Services delivered:

691

Daycare and
Community
Opportunities



1,154

Occupied Bed Days

107

Parent & Carer
Groups



476

Sibling
Support
Groups

Young Adults

Our Young Adult Service continues to go from strength to strength; we now have a team of 23 and recruitment is ongoing as the service continues to develop to meet demand.

By the end of March 2025, we were actively supporting a caseload of 53 Young Adults living with palliative conditions or complex health needs that cannot be met in other settings.

In line with our strategic objective to continue to integrate Young Adult Services to widen their impact, we have established strong links with our Adult Services who are now supporting with medical oversight as required. Thanks to plenty of collaboration we have achieved many positive outcomes for our young adults and their families.

We also have maintained our strong links with our local and neighbouring ICBs who recognise the Young Adult Service as a unique resource for those who require personalised, specialist care. The current reach of our service into Cheshire, North Manchester, West Midlands, Shropshire and the English / Welsh border demonstrates there are little to no options nearby, and in the surrounding areas, who can respond to the needs of young adults living with palliative or complex health conditions like we can.

Whilst we continue to measure our service delivery in 3 core areas – Respite, Day Opportunities and Social Opportunities – we have really focussed on increasing our overnight respite offer. This continues to be the area of our service that is in greatest demand from our young adults and their families, and supremely valuable to their wellbeing.

We're proud to have been able to achieve this increase without any impact on our other opportunities.

Furthermore, complementary therapy sessions continue to be well received with many of the young adults now receiving a regular therapy in the Young Adult Unit.

From aromatherapy massage to facial reflexology and therapeutic 'Tac Pacs' for our young adults with predominantly sensory needs. The value of the therapy is clear on a daily basis; for those who are able to talk about the benefits, they regularly provide positive feedback, and for those who are unable to tell us, the benefit is clear to see in both their physical and emotional presentation.



Respite



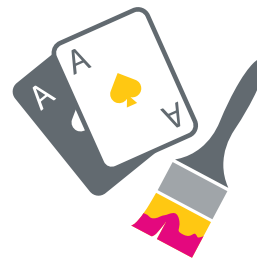
128%



Day Opportunities



2%



Social Opportunities



193%



complementary therapy sessions delivered

494

There for every step of the way...

The Young Adult team had the privilege of supporting a young adult who had been accessing the service for many years as she approached the end of her life. Her wish was to be at home with our team supporting her for as long as possible; this was achieved, and she then came to rest in our Bereavement Suite following her death.

Our Children's and Young Adult Services, along with all our care delivery teams, are proud to be able to support people throughout their journey, whatever stage they are at.

3 Tackle inequality in accessing specialist, end of life care

As part of this strategic priority, we are committed to improving healthcare opportunities for our local population by addressing inequalities in access to high quality palliative care. Dougie Mac's strong reputation and financial stability place us in a strong position to pursue opportunities for growth and to expand our influence in the delivery of end of life care.

We continue to work closely within the Staffordshire and Stoke-on-Trent Integrated Care System, working closely with our system partners to deliver the best possible outcomes for the communities we serve. We aim to strengthen our role within the local health system, with a particular focus on resourcing and enhancing 24/7 access to advice and care. Our goal is to provide a service that is responsive, effective, compassionate and safe for patients and their families.



2,610

new referrals to Dougie Mac Adult Services.

Aim to increase referrals by 10% over 3 years (April 2023 – March 2026). Achieved 15% increase by end of Year 2.



351

carers also accessed hospice support services.

3,153

Hospice at Home Face to Face visits.

12.8k

Community Face to Face Consultations, covering 96,000 miles.



2,825

patients were cared for, alongside support for their families.

24/7 Access to Advice and Care

Our 24/7 Advice Line continues to offer round-the-clock telephone support for patients, carers and healthcare professionals, ensuring timely and effective assistance whenever needed. Our collaboration with other Staffordshire hospices effectively delivers the out-of-hours aspects of this service, showcasing our commitment to working together to support more patients.

Providing a Rapid Response

The Advice Line underpins our Rapid Response Service by identifying those requiring quick intervention. The expansion of our Community Services' Rapid Response allows us to assist more individuals outside of regular hours, ensuring timely symptom management and care in their preferred setting. This extended service helps prevent unnecessary escalations and hospital admissions, supports patient choice, identifies the most suitable place of care and reduces system pressures.

We have met our aspiration to grow the visiting capacity within the Rapid Response Service and in February 2025 extended the hours available for face-to-face visits from 9am-5pm to 8am-midnight. Visits for patients are determined through systematic questioning and clinical judgment. We aim to respond in 4, 8 and 24-hour timeframes, depending on the urgency and intervention needed.

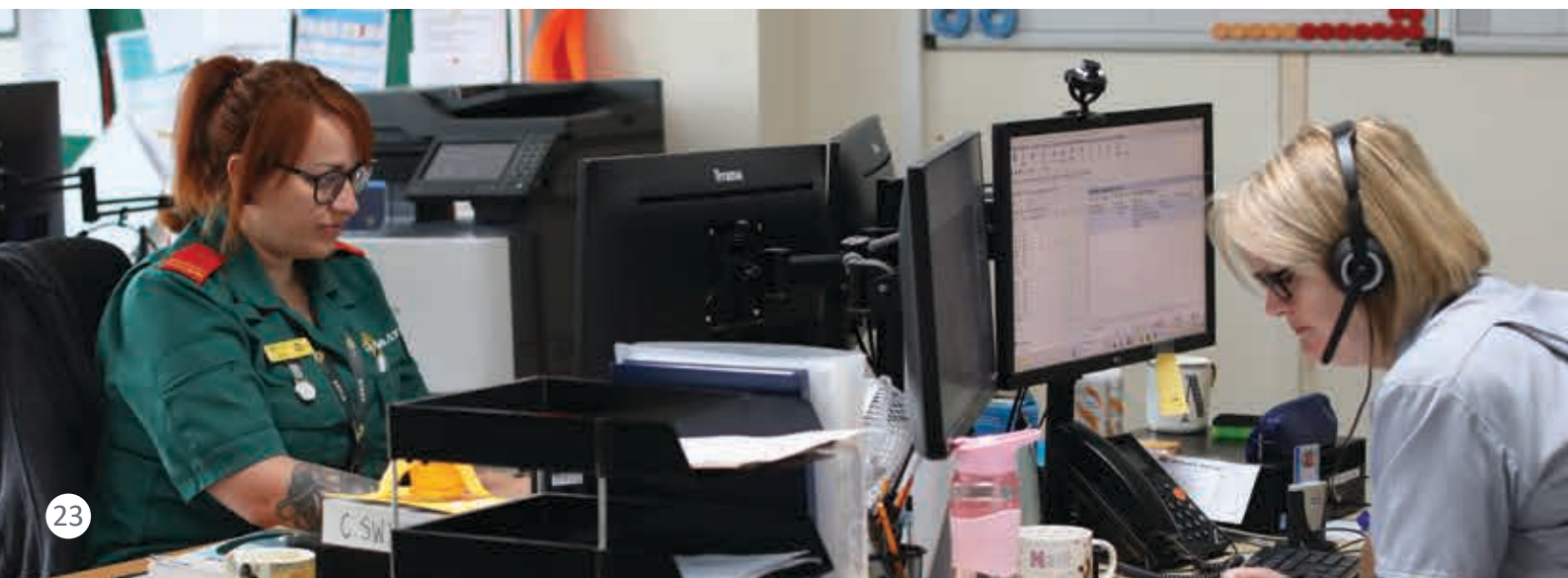
14,036

Advice Line calls, 19% were received out of hours.



24/7 Advice Line

0 1 7 8 2 3 4 4 3 0 0





Admission to our Inpatient Services

Our Inpatient Services have had an exceptional year, seeing an uplift of 14.2% in admissions, with 87% of these admissions spending their final days at the hospice. To meet the growing demand for our Inpatient Services, we increased our bed capacity from 26 to 28 from April this year, which is a remarkable achievement considering the national struggles and bed closures many hospices face.



449

new admissions to our
Inpatient Services



SystemOne

In June 2024 we implemented a new, contemporary patient data system, SystemOne, which allows us to connect with the NHS spine and contribute digitally to joint health care records, especially around digital ReSPECT conversations.

The migration of all our adult clinical data to SystemOne was a huge undertaking. This collaborative project involved all staff across our Adult Services understanding each other's workflows and processes in order to unify and simplify them. This has significantly reduced repetition of data, freeing up clinical time and improving co-ordination of resources.

SystemOne has also prompted the implementation of electronic prescribing for our Adult Inpatient Services. This means we are progressing towards a paperless clinical system, which complies with the requirement for all healthcare providers to switch to electronic systems for all clinical records and supports our ESG strategy.

1,565 hours of staff training for SystemOne Implementation

4 Expand our response to the intensifying need for dementia support

Following our takeover of Approach Dementia Support in April 2024, and the amalgamation of all their services into Dougie Mac, we are committed to supporting individuals and their families at every stage of the illness. We aim to seamlessly support patients with mild, moderate and advanced stages of dementia, as well as those with complex needs, with the overlapping support of our Admiral Nurse team.



Scan to watch our Dementia Services video



Mild



Advanced



End of Life



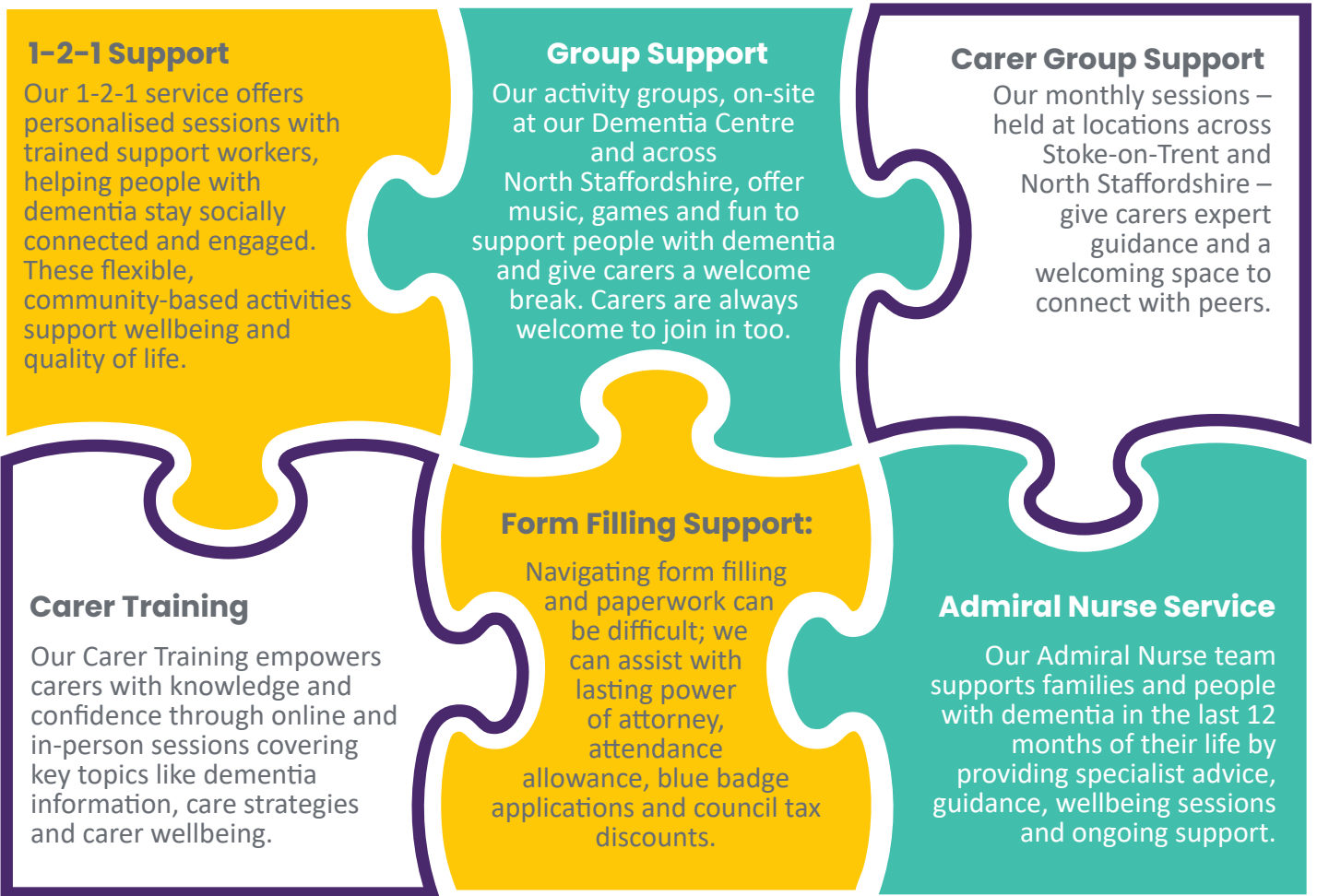
Moderate



Complex



The number of staff within our Dementia Services has continued to grow and our dementia patients and their families are now experiencing the full holistic breadth of what Dougie Mac has to offer, including:



Every strand of the service has seen growth, and we are making headway in ensuring that we are the first choice for dementia support in our community.

Our Dementia Services has also moved to using the SystmOne electronic patient database, facilitating seamless internal referrals. Consequently, this

enables patients and carers to benefit from the broader hospice services where appropriate.

Our goals for the upcoming year are to support a greater number of individuals and to ensure the delivery of high-quality services that yield valuable outcomes.



Singing, Dancing and Smiling Again: Pauline's Story



Pauline Spooner was diagnosed with Alzheimer's and Vascular Dementia in 2020 and now attends three Dougie Mac Dementia Services groups a week. Her daughter, Tracey Turner, says her mum has never been happier.

"When Mum was diagnosed at the Memory Clinic, she became very depressed and suffered with anxiety," says Tracey. "Doctors wanted to put her on anti-depressants but we didn't want that for her.

"When Mum was feeling particularly down, I struggled to find the right motivation for her until I reached out to Dougie Mac for help.

"Meeting the staff at Dementia Services was a turning point; she was not only extremely helpful but also incredibly friendly. Her ability to put my mum at ease right away was remarkable and made all the difference.

"I had been attending a group for carers at Cheadle Cricket Club on Fridays, which we enjoyed immensely, so it was such a relief when I discovered that there was a dementia group every Thursday — this opportunity felt like a godsend for Mum.

"But Mum was adamant she didn't want to go — she said she couldn't see the point and was really down in the dumps. Eventually, we managed to persuade her to try the group.



"I will never forget the first day I took her. She was quite nervous going in and I worried when I picked her up at 12pm especially when I saw tears in her eyes. "I thought: 'oh what have I done leaving her there', but she was actually crying because she was so happy and had thoroughly enjoyed herself. She told me: "I absolutely loved it! It's the best day I've had in a long time!

"Now, my mum eagerly rises at 6am every Thursday, excited for the club that doesn't even start until 9am! This newfound joy and enthusiasm have brought such light into her life and she is incredibly happy — it's like someone has pressed a switch."

Tracey says since attending the groups her mum now regularly listens to music which brings her great joy and comfort.



She said: “The Tuesday and Friday sessions have truly brought a new spark of joy into my mum's life. It's wonderful to see how much fun she has while attending these groups and she's become quite excited about her newfound routine.

“This enthusiasm speaks volumes about the positive impact the Dementia Services team has as they have given Mum a new lease of life. I honestly believe that if it wasn't for Dougie Mac my mum wouldn't have lived and without these clubs, I would be facing a very different and much more challenging situation.

Thank you for creating such a wonderful environment that fosters connection and happiness. It means the world to us!

Pauline said: “I love the groups as we do silly things which makes me very happy. We like to sing and dance and play games and everyone does nice things for us. I didn't want to come but I have made some good friends and I am happy.”

- Tracey Turner, Carer for her Mum

”



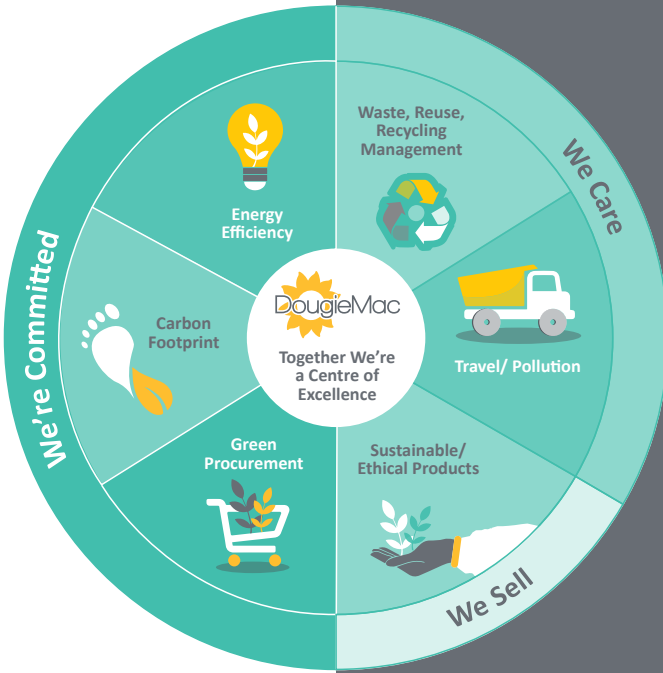
5 Develop an environmental sustainability approach in all areas of the hospice

At Dougie Mac, Environmental, Social and Governance (ESG) principles underpin everything we do. Building on the foundations established in 2023, we've continued to embed sustainability into our operations, measure our environmental impact and set out clear ambitions across all three ESG areas to guide our future progress.

Our ESG dials on the next page illustrate the key focus areas across Environmental, Social and Governance pillars, forming the framework that supports our ambition to be a Centre of Excellence.



ENVIRONMENTAL

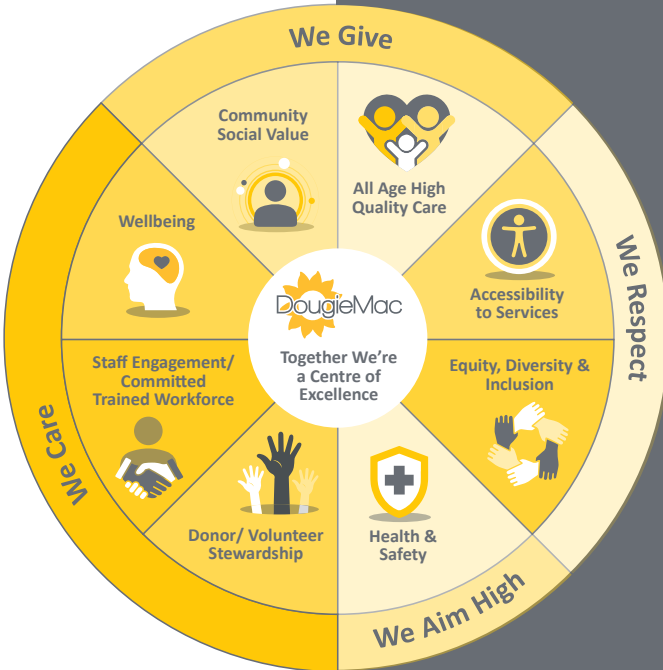


Environmental – Turning Strategy into Action

This year, we focused on putting our environmental strategy into action — measuring carbon emissions across all hospice and retail operations and taking tangible steps to embed greener practices across all areas of Dougie Mac. Some of this year’s environmental highlights include:

- Carbon emissions measurement across all sites and vehicles
- Recyclable wooden medals introduced at major fundraising events
- Sustainability Hub continues to support our “zero to landfill” ambitions
- Ongoing rollout of waste audits and staff awareness of greener practices

SOCIAL



GOVERNANCE



Environmental Sustainability Disclosure

As part of our strategic commitment to environmental sustainability, we have measured and report our carbon emissions across all operational areas of our two hospices and retail premises.

Energy Consumption:

Category	Energy Usage (kWh)	Distance (km)	CO ₂ e Emissions (tonnes)
Gas	961,078		125.29
Electricity	587,899		264.51
Fleet Vehicles (Owned/Leased)		162,376	46.6
Grey Fleet (Staff/Volunteers)		293,499	61.9
Total	1,548,977	455,875	498.30*

* Carbon emissions were calculated using the SBEN (Staffordshire Business & Environment Network) Carbon Tracker tool.

This marks a key milestone in our Carbon Emissions Reduction priority. These findings will inform our next phase of activity, which includes exploring renewable energy sources for hospice operations and assessing the feasibility of an all-electric fleet by 2027.

Celebrating Success the Sustainable Way

One of the key initiatives undertaken in our Income Generation function has seen us partner with UK-based Zero Waste Medals, which produce fully recyclable wooden medals. These eco-friendly alternatives have already featured in our 10K and Moonlight Walk and we are now looking at expanding their use to other events. We also sourced our annual Light up a Life tree decorations from Zero Waste.

What makes the wooden medals such a great choice is that they offer a sustainable alternative to traditional metal or plastic, without compromising on personalisation or design quality.

However, Zero Waste is more than just recycling. Any unused medals can be returned for credit, making this initiative not only environmentally responsible but also cost-effective. It's a win-win for us and the community we serve.



Social – Strengthening Community and Inclusion

Our social priorities continue to focus on wellbeing, inclusion and community value. In 2024/25, we strengthened our approach by improving how we listen, measure and act on the experiences of those we serve.

We introduced a consistent service delivery feedback and satisfaction process across our clinical teams, enhancing both care quality and community connection. This creates a clear way to measure performance, identify improvements and celebrate excellence. Collecting comparable data across teams provides meaningful insights into service trends, training needs and patient experience, supporting accountability, continuous improvement and alignment with our ESG and quality goals.



For those who use our services, this ensures their voices actively shape the care they receive. Transparent feedback channels empower patients and families to share their experiences, building trust, collaboration and more person-centred care.



We have also recently reinvigorated our Equity, Diversity & Inclusion (EDI) Working Group which, over the remaining period of our three-year strategy, will develop and begin the implementation of an agreed action plan.

Governance – Accountability and Transparency

Strong governance ensures that our decisions are responsible, transparent and aligned with our mission. We take governance seriously and are proud of the strong working relationships that exist across all levels — from our Trustees and Directors to the Senior Leadership team and wider staff. Our established committee and subcommittee structures provide clear oversight and accountability, meeting regularly to review progress, manage risk and guide strategic decision-making.



We also aim to enhance awareness of our governance framework among staff, volunteers and the wider community, helping everyone understand how we're led and held to account. Further details about our governance approach can be found in the 'Running Our Organisation Well' section later in this report.

Our ESG framework ensures that Dougie Mac continues to evolve responsibly — measuring what matters, celebrating progress and adapting to meet the needs of our community and the environment in the years to come.

6 Continue the growth of our Wellbeing Services



It's been a year of review and reflection as we have concentrated on bringing unique teams from across the organisation together to sit within our reinvigorated Wellbeing Services.

An operational review which considered roles, processes and procedures has helped our three Wellbeing Service teams focus on the delivery of quality, holistic and personalised support for patients as well as their carers and relatives: always championing hospice values while delivering person-centred care.

Wellbeing Face to Face Activity

4,005

Therapy Sessions

1,715

Patient & Family
Support Meets

2,916

Emotional Support &
SPARCS Sessions

4,591

Wellbeing Centre
Group Attendances

74

volunteers currently supporting
our Wellbeing Services



Future Care Planning is now facilitated by our Living Well team.

Living Well

The provision of holistic group support has grown in both scope and diversity, offering targeted support for individuals with conditions such as Motor Neurone Disease and Parkinson's, while also providing broader Wellbeing Centre and community-based living well groups – all reducing barriers to accessing our support.

Offering Living Well support in the community, outside of our Wellbeing Centre, helps make our services accessible to more people, in more places ensuring they can also feel connected and supported without having to visit the hospice. Over the last year we have hosted community groups in Biddulph, Cheadle, Leek, Madeley, Longton, Newcastle, Meir Heath, Spode, Brampton and Fenton Manor.

We have also introduced monthly telephone wellbeing review calls with the primary aim to have regular communication with those we care for to ensure each person receives the right support, at the right time, from the right people.



Therapies

Physiotherapy has experienced some challenges with staff resource this year, with recruitment planned to combat this issue. Despite these staffing pressures, we have been able to maintain physiotherapy support for those staying in our Inpatient Services as well as consistent delivery of our Tripudio group support sessions. Complementary Therapies has continued to offer holistic support, as well as us adding Reiki to our services in November 2024.



The Reiki provision is very relaxing and allows me to have some self-care. Being a carer makes it difficult to switch off and find personal time, but these sessions have given me that opportunity. They are fantastic, and I feel truly supported.



Counselling & Bereavement Support

We have welcomed four new members to the team, who provide pre and post bereavement support as well as continuing to capture feedback from those who access this support, both of which have helped us to ensure delivery excellence. Two key themes identified in the feedback were that Dougie Mac is a **Saving Grace** and a **Safe Haven**:



“My counsellor had become my lighthouse. She’s unwaveringly steered me through the toughest journey of my life. I came out the other side, not only surviving but starting to thrive again.”

“My situation will not change but my thinking and dealing with it all, and accepting my situation is changing.”

“I felt safe to talk about my feelings, thoughts, worries, fears, weaknesses, without being judged. I was listened to, I was heard. I received sympathy and compassion.”



Our Spiritual, Pastoral and Religious Care Service (SPARCS) has continued to provide care and support to service users, those important to them and our staff and volunteers, whilst also embarking on new ventures.

Our new Community SPARCS Practitioner has built relationships with our Community team, shadowing home visits and helping to develop the care that we provide to those in the community. We also exhibited a poster at the Hospice UK National Conference, focussing on our various SPARCS developments over recent years; we were proud to be approached by several hospices who were looking for guidance and participation as they seek to develop their own SPARCS provision.

The SPARCS Steering Group has also reviewed their aims and is working on:

Developing the care provided to those affected by dementia, ensuring that each service user, who wishes, has access to appropriate, individualised care and Developing education and training to assist with delivery of the SPARCS dementia support.

Building a team of Community SPARCS volunteers so that individuals in the community can receive the same level of SPARCS support as those at the hospice

Reviewing and assessing the SPARCS Education Syllabus so that it continues to meet staff and volunteer requirements

7 Continuing Financial Stability

Maintaining strong financial health is essential to Dougie Mac. By carefully managing expenditure, we ensure that more of every £1 goes to supporting our specialist services and makes a real difference to those who rely on us.

A diverse range of income streams provides the financial stability we need, reducing the pressure on any single funding source. This financial resilience enables us to continue our vital work and strengthens the trust we have built within the local community. By demonstrating transparency and responsibility, we believe we inspire ongoing support and confidence from our donors and supporters.

Whilst everyone plays an important role in ensuring the efficient use of resources, our Finance team takes the lead in strategic budgeting, cash flow management and solid financial planning to ensure continued success.



Robust Income Generation

Thanks to the continued generosity of thousands of local people, we can deliver the very best care for the adults, young adults and children we support. Our Income Generation is built on two revenue pillars:

Income from our commercial activities - Lottery and Retail.

Money that is donated to us and/or from fundraising initiatives.

Total from INCOME GENERATION **£16,736,780**

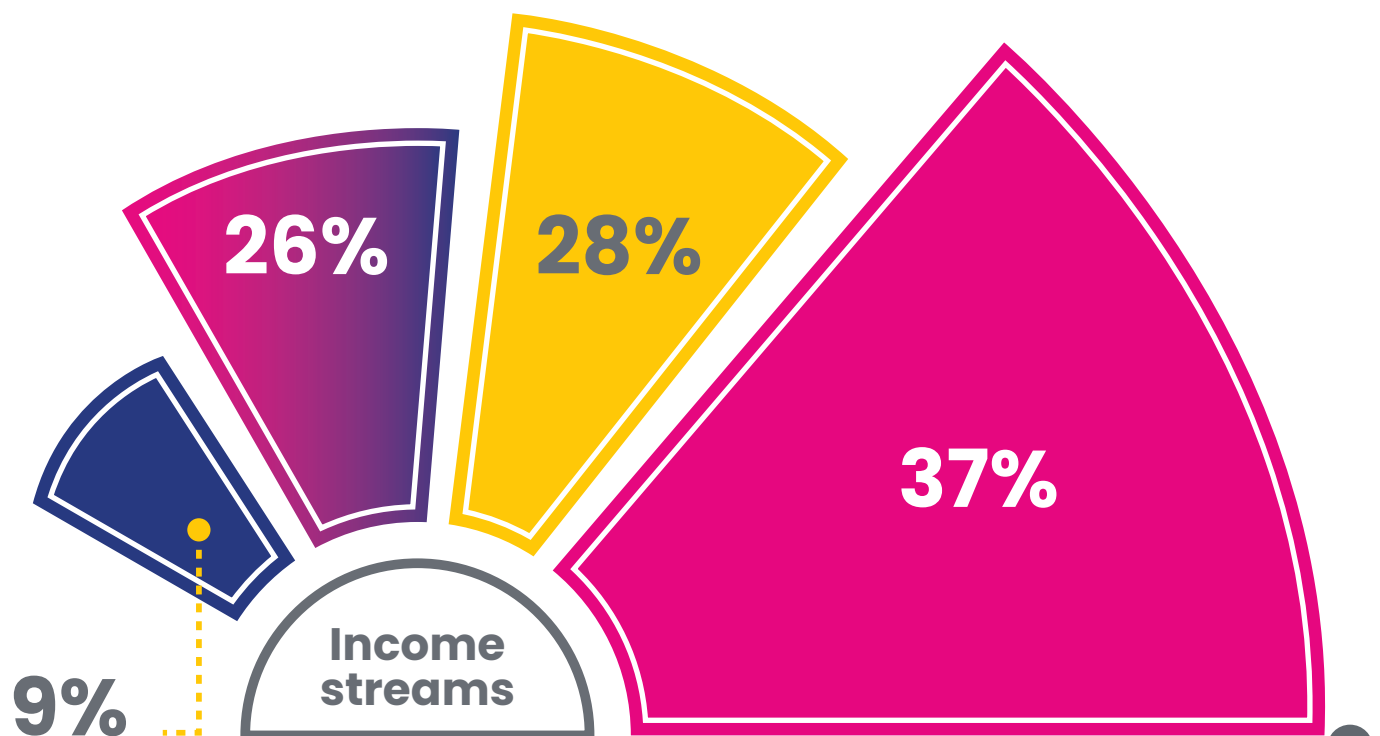
77% of the whole hospice income came from income generation revenue streams

LOTTERY £1,579,255

LEGACIES £4,410,501

FUNDRAISING £4,658,000

RETAIL £6,089,024



A Lasting Impact

Legacies continue to be a significant source of income for the hospice.

Of the 101 legacies received in the last financial year, at least 25 were from a patient or relative of a patient - a testament to the high quality and compassionate end of life care people have received or witnessed first-hand.

Many legacy gifts were from people who were committed supporters and donors during their lifetime.

However, it is not unusual to receive a legacy from someone totally unknown to us, often we have no knowledge what prompted a legacy. We are always keen to know if someone plans to leave a gift in their Will - saying a personal thank you is important to us.



Trusts

Grants from 79 Trusts and Foundations not only contributed to funding revenue costs but also enabled Dougie Mac to purchase a range of items, including 10 syringe pumps, a pressure-relieving mattress, 110 counselling books for bereaved children and 2 bariatric chairs.

Trust donations paid for an entire Christmas party for the families supported by our Children's Services, summer holiday activities for siblings, as well as play and craft supplies.

Another grant paid for the refurbishment of the Adult Wellbeing Centre, including a hot water boiler, kitchen units and a fridge, garden furniture and fencing.

Working in Partnership is Key

Dougie Mac receives exceptional support from our local business community, which comes in many forms including corporate volunteering, employee fundraising, business donations and sponsorship.

We're extremely grateful for the commitment and generosity of our business supporters and in July 2024 we launched a Business Club, which unites local businesses with shared values. The club is primarily an engagement initiative encouraging businesses to pledge their long-term support to Dougie Mac by giving a regular monthly donation.

During the inaugural year, our Business Club members have attended several networking events and heard about how their support had made a difference – hearing first hand about Dougie Mac's long-term plans for end of life care for adults, young adults and children.

Our 10th annual Business Partnership Awards Lunch was held in June 2024 at bet365 Stadium to honour and celebrate the outstanding contribution of our business supporters. The award categories, winners and commendations are listed on the next page.



Business Partnership Awards 2024/2025

BRONZE – SUPPORT BETWEEN £4.5K UP TO £10K

Double Tree by Hilton, DPD Pickup, Enterprise Mobility, Fine Ceramic Transfers Ltd, H & H Holman Properties Ltd, Home Office, M Club Spa and Fitness, NatWest, Neida Products Engineering Ltd, Pastel Group Ltd, Potteries Auctions Ltd, RSM UK, Consultancy LLP, Steelite International Ltd, Stoke City Football Club Ltd, Stuba, Terraces Menswear, The Craft Room, The Foaming Quart, TMT First Ltd.

SILVER – SUPPORT BETWEEN £10K UP TO £15K

Asda Tunstall, Cable Services Ltd, Carmountside Crematorium, Don-Bur (Bodies & Trailers) Ltd, Fleet Operations, KDM Events Ltd, Lockside at Greenway Hall, N & J Tree Services Ltd, Fleet Operations, New Look Distribution, Trentham Estate, Vodafone UK Ltd, Whiteheads Solicitors.

GOLD – SUPPORT BETWEEN £15K UP TO £20K

Beswicks Legal, bet365, Geens Chartered Accountants, Parogon Group.

PLATINUM – SUPPORT BETWEEN £20K UP TO £50K

Asda Lymedale Distribution Centre, Beeston Shenton Solicitors, Brown Recycling Ltd, Fiskars UK Limited, Hanley Economic Building Society, K M F Precision Sheet Metal Ltd, Tinsdills Solicitors.

PALLADIUM – SUPPORT EXCEEDING £50K

Stairbox, TIP Trailer Services Ltd.

RECOGNITION AWARDS

CORPORATE VOLUNTEERING AWARD

Winner - Vodafone UK Ltd

Commendations - NatWest, Stairbox

WILL WRITING CHAMPION AWARD

Winner - Beeston Shenton Solicitors

Commendations - Beswicks Legal, Ann McCabe Solicitors

COLLECTION BOX AWARD

Winner - Bradeley Village Stores

Commendations - Grahams Pharmacy

BEST SUPPLIER AWARD

Winner - Pastel Group Ltd

Commendations - Heating & Pipework Installations, QPS Print Ltd

SUSTAINABILITY AWARD

Winner - N & J Tree Services Ltd

EXTRA MILE AWARD

Winner - N & J Tree Services Ltd

Commendations - Woolliscroft Solicitors

CHARITY CHAMPION AWARD

Winner - Mitch Brown - Brown Recycling Ltd

Commendations - Craig Dagg - Stairbox

Special Commendation - Janice Furnival - TIP Trailer Services Ltd

BEST BUSINESS PARTNERSHIP AWARD - (SMALL)

Winner - RSM UK Consultancy LLP

Commendations - Denstone Hall Farm Shop

BEST BUSINESS PARTNERSHIP AWARD - (LARGE)

Winner - TIP Trailer Services Ltd

Commendations - Hanley Economic Building Society

MILESTONE AWARDS

MILESTONE AWARD – EXCEEDING £100,000

Altecnic Ltd, Asda Lymedale Distribution Centre, Brown Recycling Ltd, Fiskars UK Limited, Stairbox

MILESTONE AWARD – EXCEEDING £250,000

bet365

MILESTONE AWARD – EXCEEDING £500,000

KMF Precision Sheet Metal Ltd

The Sky's the Limit

Daring Dougie Mac supporters took to the skies throughout the year, completing tandem skydives at Tilstock Airfield in Whitchurch, Shropshire.

Leaping from 13,000 feet, they experienced the ultimate adrenaline rush - free-falling through the clouds before safely touching down.

We're thrilled to share their bravery paid off in a big way, as they raised £40,000 - proof that, when it comes to supporting a great cause, the sky truly is the limit!



A Splash of Colour

We held our first Colour Dash this year, a vibrant and energetic event, held at Wedgwood Cricket Club.

This fun-filled, family-friendly day brought the community together as participants jogged, walked, danced and skipped their way around a colourful 1km course, getting covered from head to toe in bright powder along the way!

The event was designed with children in mind and featured an inflatable two-part assault course perfect for high energy head-to-head races, plus a bouncy castle that proved just as popular with parents as it was with the little ones!



Local Grass Root Fundraisers



Each year hundreds of individuals and groups within our local community play a vital role in helping Dougie Mac raise the funds we need to continue our hospice services. By organising their own fundraising events and activities, they make a big difference to our income, and we are very reliant on this incredible form of support.

Cash is Still King

We still receive tens of thousands of pounds in cash donations – we have over 950 Dougie Mac counter collection boxes and floor standing money spinners in shops, pubs and other public places; plus, the 900 people who have one of our Dougie Bank home collecting tins. Not forgetting collections at funerals in lieu of flowers, street collections and supermarket collections - **every penny counts, small change really does make a big difference.**



events &
activities
organised by
supporters



Age is no Barrier to Fundraising

Thousands of primary school children have raised money in creative and meaningful ways this year, through sponsorship or making and selling things, even generously donating their pocket money. As part of the experience children also learned about the important role Dougie Mac plays in the community. Schools warmly welcomed the Dougie Mac Schools Fundraiser and volunteers into assemblies and classrooms where they made valuable contributions to Citizenship Education.

Around **9,000**
children heard about Dougie Mac
and became a fundraiser for a day



Digital Fundraising

Last year, we launched two digital fundraising campaigns: **Care for a Cuppa** and **STEPtember**.

Care for a Cuppa in May 2024, encouraged supporters to host tea-and-cake gatherings with friends and family in exchange for donations.

In Autumn 2024, we rolled out the STEPtember challenge. Participants were encouraged to walk a mile a day throughout September and collect sponsorship donations.

Together these two campaigns raised £14,183





Remembering a Loved One

Dougie Mac's annual Light up a Life campaign raised more than £148,000 — a £26,000 increase on the previous year.

8,650 people were remembered and honoured by a light on the hospice's Christmas Tree in return for a donation.

1,100 people attended a Celebration of Life event, staged at the Victoria Hall, Hanley, featuring contemporary music and dance, reflection and celebration. The event offered people a chance to honour those they'd lost and celebrate the coming festive season.

The highlight came when the audience witnessed via a live link, hundreds of lights being illuminated for the first time, on Christmas Trees in the grounds of both hospices, in Blurton and Trentham— each glowing light representing loved ones sadly missed and fondly remembered.

Lottery: It's Win Win!

For over 29 years, the proceeds from Dougie Mac Weekly Lottery, Seasonal Raffles and Scratch Cards have played a vital role in supporting the hospice's funding needs. More than ever the sales team are engaging directly with the community to recruit people to take part in one or more of these games of chance, to increase the amount of money the income streams generate —whether face-to-face in supermarkets and shopping centres or via phone—**we're connecting with more local people than ever before.** This increased contact also raises awareness of the hospice, helps to dispel myths regarding hospice care and promotes the expanding range of services we offer.



new Lottery members



numbers in the draw

£32,490



prizes re-donated

12,911 single tickets for weekly draw



60p from every £1 goes to hospice care



Raffle Tickets sold

29,608



£2 Scratch Cards sold

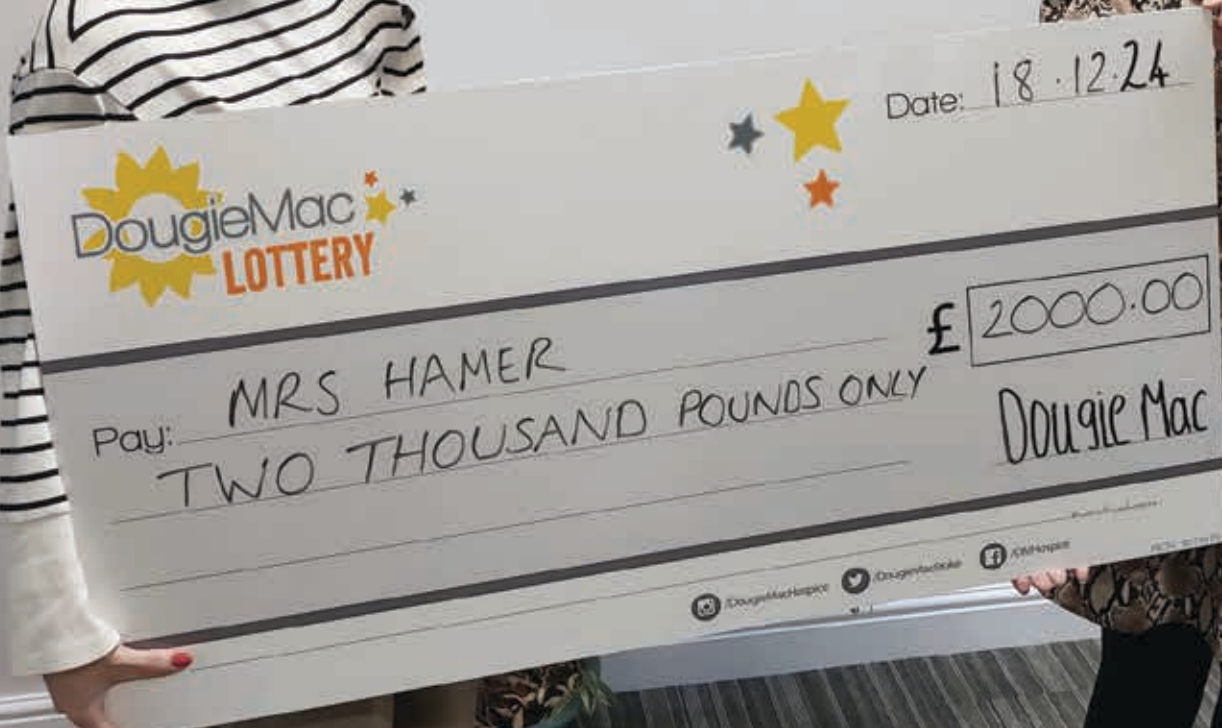
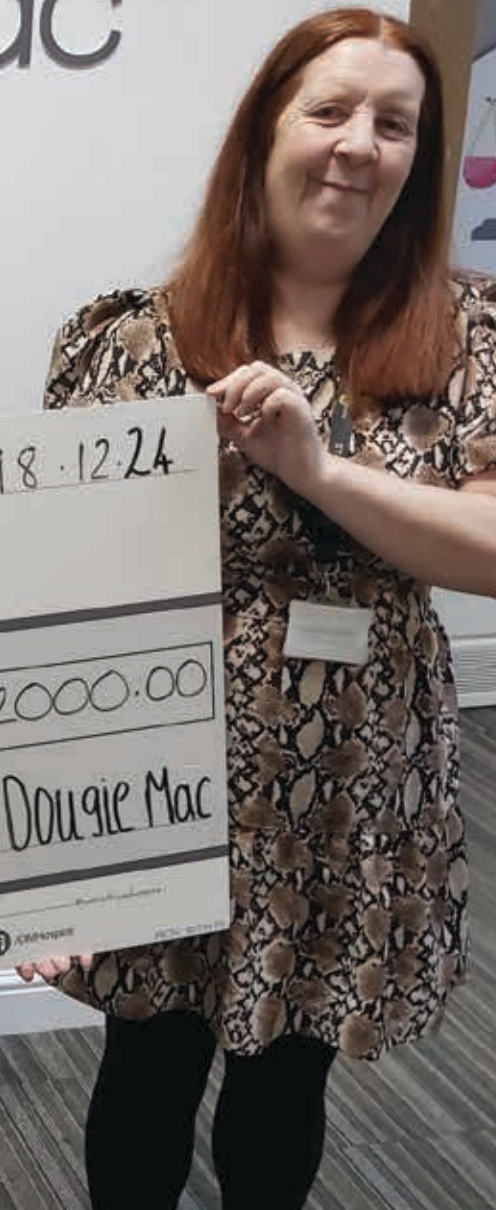




Lauren struck lucky with Dougie Mac Lottery's top weekly prize of £2,000—on her very first try! After her first monthly Direct Debit was processed, her unique number was entered into the draw and randomly selected from more than 24,000 entries.

A strong believer in the power of giving, Lauren said: "I always say the more you give, the more you receive. So, when I saw a couple of Dougie Mac Lottery Promoters at my local Morrisons, I stopped for a chat and decided to join—it's just a few pounds each month and now look what happened!"

"I know many people who've received care from Dougie Mac, including members of my own family. I didn't even realise the Weekly Lottery offered cash prizes—I only knew about Dougie Mac Scratch Cards, especially since I've seen them used as wedding favours. But now that I've won, I'll be playing for life! I've told everyone I know about it."

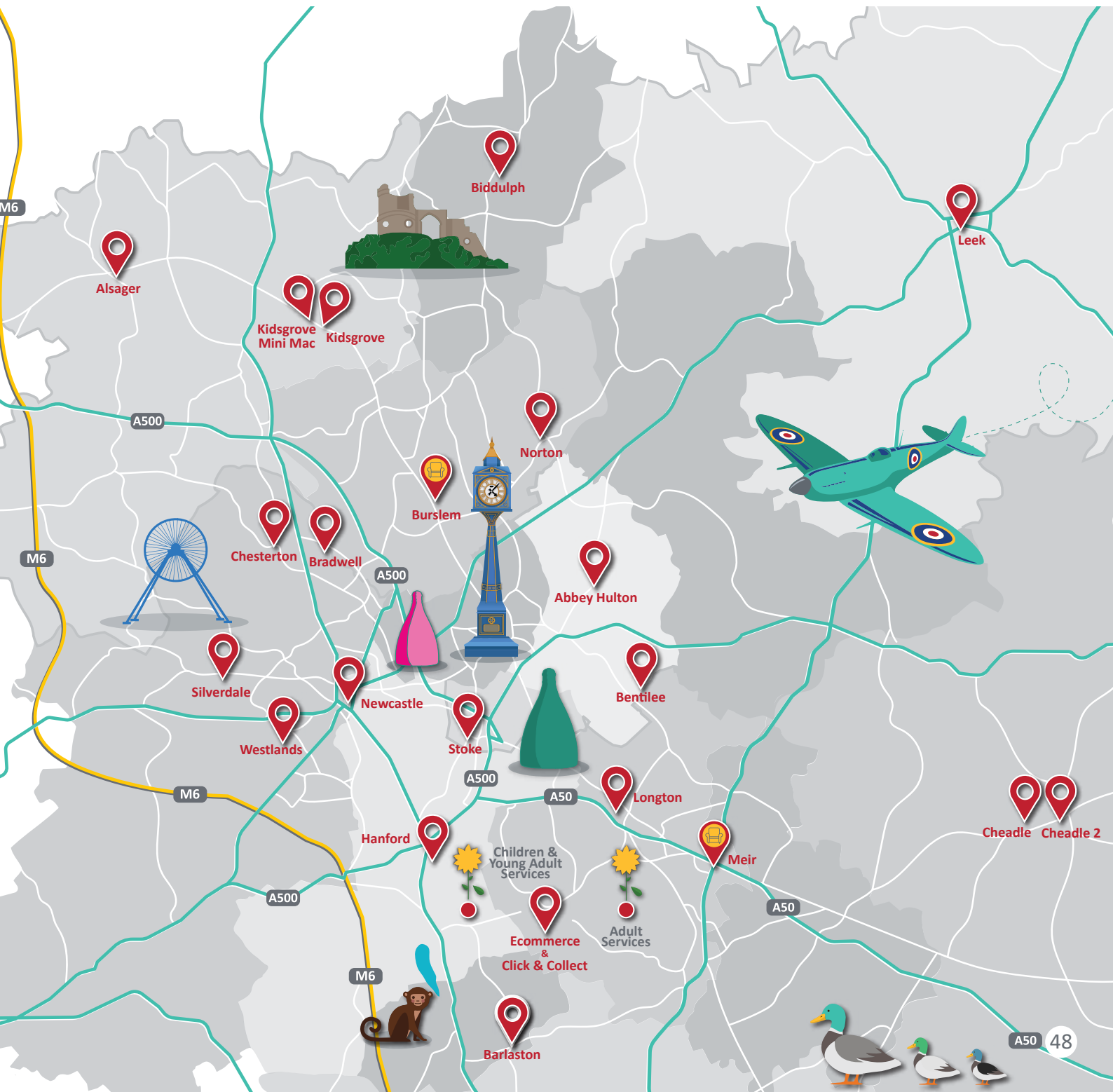


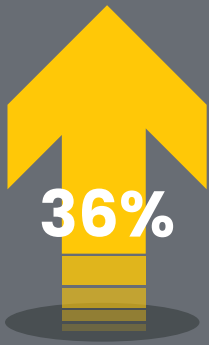
A Dougie Mac shop is never too far away...

Dougie Mac charity shops celebrated 30 years of trading and looked back in amazement at the skepticism that surrounded the opening of the first shop in Hanley in 1994. The Board of Trustees at the time were not sure there would be sufficient interest from the public but were keen to give it a go!

Today the 22 shops on high streets, community shopping parades and even on an industrial site are thriving and Douglas Macmillan Hospice Staffordshire Enterprises Limited are the primary income source for the hospice.

Each year we mark our shop birthdays, collectively our shops have racked up 319 years of trading! We are often described as the go to place for a bargain, a unique gift, or a staple purchase – rest assured you are never far from a Dougie Mac shop wherever you are in Stoke-on-Trent, Staffordshire Moorlands, Newcastle-under-Lyme and surrounding areas.





profitability



people volunteer



hours for retail volunteers



A Friendly Face on the High Street for Over 25 Years

Pam Foster began volunteering in our Leek shop when it opened 25 years ago – and hasn't looked back since. When Pam was made redundant from her job in an office, she wanted a new beginning and saw volunteering as a way to do just that.

"I feel very grateful that I can still volunteer for Dougie Mac at the age of 78," said Pam, a grandmother-of-three. "When you retire there is a danger of becoming invisible and losing your identity, but volunteering makes me feel involved. It keeps me busy, and I get so much satisfaction from it."

"I volunteer for 3 hours one morning a week – I love every minute, afterwards I go shopping or meet a friend so it's always such a lovely day."



Gift Aid really is a Gift

Gift Aid is a vital source of income for the hospice. Through HMRC's charitable giving scheme, we can boost donations from UK taxpayers by an incredible 25%; that's an additional 25p for every £1 donated at no extra cost to the donor!

This applies not only to financial donations but also to the sale of items donated to our charity shops.

Thanks to a refreshed approach in how we communicate and promote Gift Aid, we achieved a record-breaking milestone - claiming an impressive £704,453 in Gift Aid from HMRC.



giftaid it



Financial Review

The hospice sector in the UK continues to face significant financial pressures, shaped by external factors largely beyond the control of individual organisations. Rising employment costs have placed additional strain on budgets, while inflationary pressures and the ongoing cost of living crisis threaten both operational costs and donated income. Many hospices are reporting deficits and are being forced to make difficult decisions around service provision.

Despite this challenging backdrop, the team at Dougie Mac have shaped a majorly successful financial year ending 2024/25 with an operating surplus of £1.03 million. This achievement reflects the strength of our community's support, the dedication of our staff and our commitment to financial sustainability; all whilst continuing to provide exceptional care to adults, young adults and children across our locality.



For the 12 months to 31 March 2025, total income **increased by 14.7%** compared to the previous year. **Donations and legacy income rose by an impressive 41%**, with legacy gifts contributing significantly to this uplift, marking one of our strongest years in this area. **Income from charitable activities grew by 12.7%**, bolstered by a government capital funding initiative announced in December 2024. Under this scheme, the Department of Health and Social Care (DHSC), with support and administration from Hospice UK, awarded Dougie Mac a grant of £328,758 to improve and maintain our estate and physical environment, enhancing the quality of care provided to patients and families.

2024/25 trading activities, including fundraising events, retail operations and the hospice’s lottery, saw a modest but positive **increase of 2.4%**. Additionally, bank interest and returns from our investment portfolio **rose by 27%**, reflecting favourable market conditions and prudent portfolio management.



+£1.9m

The cost of delivering Dougie Mac’s exceptional hospice services increased by £1.9 million during 2024/25, exhibiting our continued commitment to enhancing care provision across our community. Approximately 70% of this increase relates to charitable activity expenditure, underscoring our strategic focus on direct patient care and support services. Notably, one third of the rise in costs was driven by our Dementia Services strategy, which aims to expand specialist support for individuals and families affected by dementia. Another third was invested in strengthening our Inpatient and Community Services, enabling us to reach more people in need of end of life care across Stoke-on-Trent and North Staffordshire.

These targeted investments confirm our ambition to extend our reach and impact, ensuring that more individuals can access compassionate, high-quality care when they need it most.

Looking ahead to 2025/26, Dougie Mac remains vigilant in the face of ongoing financial uncertainty and sector-wide risks. The rising cost of delivering high-quality care - driven by inflationary pressures, workforce costs and regulatory changes - continues to challenge our financial resilience; in particular, government mandated increases to the National Living Wage and employer National Insurance contributions will significantly impact our operating costs.

Against this backdrop, our strategic priorities remain focused on ensuring long-term sustainability, enhancing patient care and investing in our workforce and infrastructure. We will continue to diversify income streams, maintain effective cost control and advocate for fair funding for hospices.

The capital grant received in 2024/25 has laid the foundation for further improvements to our estate and we will seek additional opportunities to invest in facilities that support dignified, compassionate care. Maintaining financial stability while responding to increasing demand will require careful planning, innovation and continued support from our community and for this we are eternally grateful.

Defined Benefit Pension Scheme

Dougie Mac acts as the sponsoring employer for its defined benefit pension scheme, administered by Atkin Pensions. The scheme is governed by the Board of Pension Trustees, who are responsible for overseeing its strategic direction and ensuring compliance with regulatory requirements. Hospice trustees closely monitor the scheme's performance, funding position and governance arrangements to ensure that it remains financially sustainable and continues to meet the needs of its members. Regular updates are provided to the Board of Trustees, and the hospice works collaboratively with Atkin Pensions and the Board of Pension Trustees to manage risks and maintain the long-term health of the scheme.

The actuarial loss in the pension fund this year is £184,000 (2024 - £164,000) and is shown in the Statement of Financial Activities, the defined benefit pension scheme liability stated in the balance sheet is £nil (2024 - £nil).



Trustees Report –

for the year ended
31st March 2025

I am delighted to present a highly positive Annual Report and Audited Financial Statements for Dougie Mac Hospice for the financial year ended 31st March 2025, on behalf of the Board of Trustees, who also are Directors of the charity for the purposes of the Companies Act 2006.

This report illustrates our resolute approach to provide outstanding quality of care and support to patients and their families who need to access our services, across the heartland of North Staffordshire, and our commitment to achieving that primary strategy through strong financial management.

As a charity, we are ever mindful of the reputation of the hospice and the fact that we are highly valued as a unique charity touching the lives of so many in our community. We truly appreciate the extraordinary level of loyalty we receive from the community we serve. We thank everyone for their incredible support for Dougie Mac.



Susan Evans



This financial year is characterised by a turbulence of economic factors in the economy that has impacted UK businesses and more specifically charities working in the hospice and healthcare sector. Dougie Mac is not immune to the impact of increased living costs, inflationary pressures, higher payroll and operational costs, NHS challenges and unpredictable worldwide events. They are felt as keenly in North Staffordshire as elsewhere in business and financial world markets.



It is remarkable then, that against this unsettled background, the Financial Statements illustrate a successful year demonstrating strength in income generation and resilient capital reserves, coupled with energetic and effective financial management.

A very positive increase in total income of 14.7%, based on successful diverse income streams including a large increase particularly in legacy income, individual donations, corporate supporters and fund-raising initiatives, plus retail trading activity have all contributed to a satisfying £1.03 million operating surplus.



Regarding expenditure, our three-year Strategic Plan reflects the assurance that Dougie Mac's hospice care services are available to those who are in need and wish to access our support. Annual objectives describe our ambitions to offer service excellence and availability of healthcare and wellbeing support across our "all age hospice" service. Much of our cost base is devoted to medical and nursing care for adults, young adults and children who face complex life-changing conditions and a terminal diagnosis. This includes clinical end of life palliative care within the Inpatient Unit, specialist palliative nursing care outside of the hospice in the community and in Dementia and Wellbeing Services throughout North Staffordshire. Unsurprisingly, annual operating costs have risen by £1.9 million, and in this extraordinary year 2024/25, also required the absorption of unexpected payroll costs, increased energy, utility and other inflationary costs and the effects of an unsettled economy.



Welcome additions to our budget included a Hospice UK allocation of a government Department of Health and Social Care capital funding programme, where Dougie Mac received £328k to improve property and estate capital projects, and in addition the continuation of project support funds by local benefactors and corporate supporters.

Dougie Mac operates within a landscape of economic, social and political change, and the next 3 years may feature structural evolution to UK healthcare, further economic challenges, ageing population and other demographic changes, and specific societal changes including the assisted dying proposal, all of which will have some impact on the hospice sector. The Board of Trustees has every confidence that Dougie Mac's 52-year legacy equips us to innovate and adapt to future change with confidence in our long-term sustainability.

All our success is entirely due to amazing Dougie Mac staff and volunteers, our winning team, of over 500 employees and 800 volunteers, all of whom individually bring their energy, skill, enthusiasm, care and compassion to their role at the hospice. On behalf of the Board of Trustees I thank everyone wherever they work at Dougie Mac, and the Executive team for their exceptional leadership of our successful hospice.



Susan Evans

Chairman of Board of Trustees



Running our organisation well

Board of Trustees

The Board of Trustees is responsible for the overall governance and strategic direction of the hospice. They review and approve the strategy prepared by the Directors team, ensuring it aligns with the charity's mission and values. The Trustees also approve all key policies and actively monitor the principal risks facing the organisation. The Board meets quarterly to fulfil its oversight responsibilities. None of the Trustees receive any remuneration for their role, nor do they have any beneficial interest in the charity.

Trustee Recruitment, Appointment and Induction

The existing trustees of Douglas Macmillan Hospice are empowered under the Articles of Association to elect new trustees at our Annual General Meeting and to make co-options at any other time. Succession planning for trustees is an important dimension of governance as is a blend of skills in the Board of Trustees, so new trustees are recruited in a variety of ways including external advertising and previous interest in and involvement with the hospice. Additionally, potential new trustees are invited to attend Board meetings as an observer to assist them in deciding whether to agree to a nomination as a trustee. New trustees receive a full induction programme over an extended period, including briefings with senior executives and visits to the various parts of the organisation to gain an appreciation of the mosaic of aspects which contribute to the success of Dougie Mac Hospice.



Subcommittees of the Board of Trustees

To assist in the smooth running of the charity the Board is supported by eight subcommittees, each of which meets at appropriately regular intervals and are chaired by a member of the Board.

- Investments, Finance & Internal Audit (IFIA)
- People & Values (P&V)
- Clinical Governance (CG)
- Research Governance
- DMH Staffordshire Enterprises Ltd Board (DMHSEL)
- DMH Staffordshire Lotteries Ltd Board (DMHSL)
- Information Governance (IG)
- Safeguarding

The trustees on each subcommittee have relevant interests and skills to ensure that they enhance the work of that committee.

A scheme of delegation is in place so that day-to-day responsibility for the affairs of the charity, including all operational matters, rests with the Chief Executive Officer and the Executive team, which currently comprises:

Chief Executive Officer
David Webster



**Director of
Income Generation**
Karen McKenzie



**Director of HR and
Support Services**
Cris Hammond



Director of Finance
Vicki Dean



Medical Director
Emer Cunningham McKenna



**Associate Director,
Adult Services**
Sonya Turner



Both DMHSEL and DMHSLI develop commercial activities to support the charity and each covenants its surplus to the charity, and results are included within the Consolidated Financial Statements.



Risk Management

Governance of Douglas Macmillan Hospice is underpinned by a transparent culture of risk evaluation and risk management, enabling the Board of Trustees to consider all risks, both stated and emerging, and fulfil their responsibility for risks faced by the charity. A risk register identifies the potential and actual risks, their nature, likelihood and impact and then outlines the measures taken to mitigate those risks. Trustees review the risk register formally at Board meetings as well as assessing and updating it at appropriate subcommittees. The main risks that the charity faces are:

a) Financial Sustainability

This is mitigated by our robust fundraising strategy; built over many years of successful expansions of donated income and by cultivating excellent relationships with statutory funding partners in the local health economy.

b) Reputation

The hospice is held in high regard by local people and stakeholder partners and has been for many years but protecting and polishing our reputation requires mitigating actions, notably in ensuring that all our systems, processes and support lead to the successful recruitment, retention and development of outstanding people.

c) Recruitment

A nationwide difficulty in recruiting registered nurses with the potential to hamper expansion plans. Recruitment initiatives, timely succession planning alongside well considered training and development plans will enable us to nurture our own talent. A strong people culture that focusses on our CARE values along with competitive pay, an attractive working environment and a person-centred wellbeing programme will assist in retaining the calibre of staff required to deliver our strategic objectives.

d) Governance

Shortcomings in our evidencing of high standards of internal governance and robust evidence-based decision making could damage the reputation of the hospice and potentially diminish the support of our local community. To mitigate this risk, we are governed by a high performing Board of Trustees and Directors committed to extending the 52-year record of success at Dougie Mac. A well-constructed infrastructure of sub-committees and subsidiary boards, fully aligned to the hospice strategy, also protects the charity.

Reserves Policy

The hospice maintains a reserves policy to ensure financial stability and resilience in support of its charitable activities. Reserves are held to enable investment in strategic objectives, to cover unexpected costs, and to fund the replacement of essential assets. They also provide the flexibility to meet liabilities as they fall due and to manage fluctuations in income and expenditure. This approach enables the hospice to continue delivering high-quality care and services, even during periods of financial uncertainty.



Our Commitment to Ethical and Sustainable Fundraising Standards

We are committed to ensuring all practices relating to generating non-statutory income meet the highest standards, always being legal and transparent.

Maintaining our reputation and the trust placed in us by the public is paramount. We pledge to always operate in ways that are open, honest, respectful and accountable. Always demonstrating the highest levels of integrity.

Regulatory Compliance

Our two trading companies operating Lotteries and Charity Shops along with all other fundraising activities must comply fully with all relevant laws and regulations. We are:

1. Licensed* by the **Gambling Commission** to operate gambling activities
2. Registered with the **Fundraising Regulator**
3. Registered as an Information Controller with **Information Commissioner's Office (ICO)**
4. Aligned with the **Trading Standards Authority**
5. Aligned with the **Advertising Standards Authority (ASA)**

**Our licence for Gambling activities is held by Mrs K S McKenzie (Director of Income Generation)*

Self-Regulatory Standards

In addition to formal regulation, we adhere to rigorous internal standards for all aspects of our income generating activities by:

- **Employing suitably qualified and experienced** staff and ensuring they are suitably equipped to meet the high-performance levels we set and expect
- **Protecting supporter data** in line with our Privacy Policy and never selling or sharing personal information, as outlined in our Data Collection Statement(s)
- **Maintaining robust governance and management controls** to operate legal, ethical and transparent practices across all our diverse income streams as detailed in our Donations Policy
- **Implementing clear procedures for returning donations** in accordance with our Donations Policy
- **Reporting regularly to Boards and Subcommittees** providing income generation strategies, activity levels, financial outcomes, emerging issues and compliance breaches

Reference and Administrative Information

For the year ended 31st March 2025

Douglas Macmillan Hospice is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Charity Name

Douglas Macmillan Hospice

Company Number

3615904

Charity Number

1071613

Registered Office

Barlaston Road, Stoke-on-Trent, ST3 3NZ

Auditors

Geens Limited

Chartered Accountants

68 Liverpool Road , Stoke-on-Trent , ST4 1BG

Company Secretary & Chief Executive Officer

Mr D Webster

Director of HR & Support Services

Mrs C Hammond

Director of Income Generation

Mrs K McKenzie

Director of Finance

Mrs V Dean

Medical Director

Mrs E Cunningham McKenna

Associate Director, Adult Services

Mrs S Turner

Officers

The current Trustees (Directors) and those who held office during the financial year to 31st March 2025 are listed below:

Mrs S Evans (Chair)
Mrs M Rathbone (Vice Chair)
Mr K Brown
Mrs K McKenzie
Mrs J Miller
Dr J Sissons

Mr T Stanway
Mrs J Warren
Mr T Pegg
Mr M Tideswell
Mrs T O'Keefe (Appointed 14 November 2024)



Trustees Responsibilities in Relation to Financial Statements

The charity's trustees, who are also the directors of Douglas Macmillan Hospice for the purposes of company law, are responsible for preparing a trustee's annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK generally accepted accounting practice).

Company law requires our trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and applications of resources, including the income and expenditure of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material expenditures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group, and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from that in other jurisdictions.

In so far as the trustees are aware at the time of approving our trustees' report there is no relevant audit information of which our auditor is unaware, and trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information. It is customary to place a resolution at our AGM proposing the appointment of Geens Ltd as our auditors and trustees will do so in the knowledge stated above.

Approved by the trustees on 22nd September 2025 and signed on their behalf by:



Susan Evans

Chairman of Board of Trustees

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Douglas Macmillan Hospice and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2025

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 63, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- we obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- we considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2025

The key procedures we undertook to detect irregularities, including fraud, during the course of the audit included:

- identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- assessing the extent of compliance, or lack of, with relevant laws and regulations.
- assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- obtaining third party confirmation of material bank balances.
- documenting and verifying all significant related party balances and transactions.
- reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable member's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Jared Grounell FCA (Senior Statutory Auditor)
for and on behalf of Geens Limited**

24th October 2025

Chartered Accountants

Statutory Auditor

Graphic House
124 City Road
Stoke on Trent
Staffordshire
ST4 2PH

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £ 2025	Total funds £ 2024
<u>Income:</u>						
Donations and legacies	2	2,007,106	5,465,501	1,100	7,473,707	5,285,574
Charitable activities	3	4,351,682	-	-	4,351,682	3,868,017
Other trading activities	4	9,263,073	-	-	9,263,073	9,044,447
Investment income	5	657,230	-	-	657,230	517,849
Other	6	-	-	-	-	240,502
Total income		16,279,091	5,465,501	1,100	21,745,692	18,956,389
<u>Expenditure</u>						
Costs of raising funds	7	5,296,682	-	-	5,296,682	4,718,189
Charitable activities	8	14,207,717	1,459,537	511	15,667,765	14,316,074
Total expenditure		19,504,399	1,459,537	511	20,964,447	19,034,263
Net gains on investments	17	251,108	-	-	251,108	905,538
Net income / (expenditure)		(2,974,200)	4,005,964	589	1,032,353	827,664
Transfers between funds	25/26	2,506,209	(2,506,209)	-	-	-
Other recognised gains and (losses)						
Actuarial loss on defined benefit pension schemes	21	(184,000)	-	-	(184,000)	(164,000)
Net movement in funds		(651,991)	1,499,755	589	848,353	663,664
Reconciliation of funds:						
Fund balances brought forward		9,914,987	18,684,561	147,805	28,747,353	28,083,689
Fund balances carried forward		9,262,996	20,184,316	148,394	29,595,706	28,747,353

All of the above results were derived from continuing operations. All gains and losses recognised in the year are included above.

The notes on pages 70 to 87 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Fixed assets					
Tangible assets	16	8,559,543	8,929,101	8,559,543	8,929,101
Investments	17	9,761,265	9,558,585	9,761,269	9,558,589
		<u>18,320,808</u>	<u>18,487,686</u>	<u>18,320,812</u>	<u>18,487,690</u>
Current assets					
Stocks	18	5,669	10,272	-	-
Debtors	19	2,790,544	1,749,967	2,790,544	1,924,912
Cash at bank and in hand		10,489,913	10,943,358	10,300,539	10,412,471
		<u>13,286,126</u>	<u>12,703,597</u>	<u>13,091,083</u>	<u>12,337,383</u>
Creditors: amounts falling due within one year	20	<u>(2,011,228)</u>	<u>(2,443,930)</u>	<u>(1,858,126)</u>	<u>(2,127,975)</u>
Net current assets		<u>11,274,898</u>	<u>10,259,667</u>	<u>11,232,957</u>	<u>10,209,408</u>
Total assets less current liabilities being net assets excluding pension liability		<u>29,595,706</u>	<u>28,747,353</u>	<u>29,553,769</u>	<u>28,697,098</u>
Defined benefit pension scheme liability	21	-	-	-	-
Net assets including pension liability		<u>29,595,706</u>	<u>28,747,353</u>	<u>29,553,769</u>	<u>28,697,098</u>
Funds					
Income funds					
Restricted funds	25	148,394	147,805	148,394	147,805
Unrestricted funds:					
Designated funds	26	20,184,316	18,684,561	20,184,316	18,684,561
Other charitable funds		9,262,996	9,914,987	9,221,059	9,864,732
		<u>29,595,706</u>	<u>28,747,353</u>	<u>29,553,769</u>	<u>28,697,098</u>
Total funds excluding pension reserve		<u>29,595,706</u>	<u>28,747,353</u>	<u>29,553,769</u>	<u>28,697,098</u>
Pension reserve	21	-	-	-	-
Total funds		<u>29,595,706</u>	<u>28,747,353</u>	<u>29,553,769</u>	<u>28,697,098</u>

The trustees acknowledge their responsibilities for complying with the Charities Act with respect to accounting records and preparation of financial statements.

The financial statements were approved by the Board on 22nd September 2025 and agreed on their behalf by:



Mrs S Evans - Chair

The notes on pages 70 to 87 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Net cash provided by operating activities	28	(745,860)	1,524,251	(404,347)	1,165,574
Cash flows from investing activities:					
Dividends, interest and rents from investments		657,230	517,849	657,230	517,849
Purchase of property, plant and equipment		(401,478)	(772,480)	(401,478)	(772,480)
Proceeds from sale of property, plant and equipment		-	-	-	-
Proceeds on sale of investments		2,287,733	3,287,228	2,287,733	3,287,228
Purchase of investments		(2,251,070)	(3,278,469)	(2,251,070)	(3,278,469)
Net cash used in investing activities		292,415	(245,872)	292,415	(245,872)
Change in cash and cash equivalents in the reporting period		(453,445)	1,278,379	(111,932)	919,702
Cash and cash equivalents at the beginning of the reporting period		10,943,358	9,664,979	10,412,471	9,492,769
Cash and cash equivalents at the end of the reporting period		10,489,913	10,943,358	10,300,539	10,412,471

The notes on pages 70 to 87 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1a) Basis of preparation

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Charities Act 2011 and the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

These group financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings for the year ended 31 March 2025 on a line by line basis. The trading results of the subsidiary undertakings are shown in note 13.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1b) Fund accounting

Unrestricted funds are available for use, at the discretion of the trustees, in furtherance of the general objectives of the charity and which have not been designated for other purposes:

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes.

1c) Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised in full when receivable and are included at fair value.

1 Accounting policies (continued)

1c) Income recognition (Continued)

Legacies are recognised when both entitlement to receive the income has been established and when it is probable that the income will be received. Receipt is assessed to be probable when there has been grant of probate, and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy. Legacies are measured at the fair value of income receivable based on available information.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

1d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the expenditure incurred related to fundraising activities and the costs relating to the trading subsidiaries;
- Expenditure on charitable activities includes the expenditure incurred relating to Inpatient Services, Medical, Community, Hospice at Home, Wellbeing, Learning and Development and Children and Young Adult Hospice Services; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include finance costs, governance costs, information technology costs, HR and reception costs, facilities and health and safety costs, non-attributable depreciation, and general overheads including the defined benefit pension scheme cost. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on an apportioned basis related to the expenditure as a percentage of total expenditure.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 9.

1f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

1 Accounting policies (continued)

1f) Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	3% p.a. straight line
Retail leased buildings works	20% p.a. straight line
Fixtures, fittings & equipment	25% p.a. straight line and reducing balance
Motor vehicles	25% p.a. reducing balance

1g) Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be reliably measured in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains/(losses) on investments' in the consolidated Statement of Financial Activities. Investments in subsidiaries are valued at cost less provision for impairment.

1h) Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in section 1c) above.

1i) Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Financial assets

Basic financial assets, which include debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including short term highly liquid investments are initially measured at fair value, with subsequent changes in fair value recognised in the Statement of Financial Activities. These include cash on deposit and cash equivalents with a maturity of less than one year.

Financial assets measured at amortised cost are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ii) Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

1i) Financial instruments (continued)

Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1k) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1l) Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also operates a defined benefit scheme which is closed to new members. The contributions made to the scheme are as recommended by the scheme trustees and the independent actuary. The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

1m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1n) Going concern

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval. The trustees and executive team are constantly monitoring the position of the charity and at the balance sheet date the charity has healthy reserves and healthy cash balances. Under all scenarios reviewed, the Hospice has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

1o) Critical accounting judgements and key sources of estimation uncertainty

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

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

In preparing these financial statements, the trustees have made judgements in determining the:

- value of accrued legacy income. The value depends on decisions regarding entitlement to the gift, probability of receipt and ability to value it with sufficient accuracy;
- impairment of tangible fixed assets. Factors taken in to consideration in reaching the decision include the availability of resources to continue service delivery at previous levels;
- useful economic life of tangible fixed assets. The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on future investments, economic utilisation and physical condition of the assets.
- application of going concern. The main judgement is the assessment of the group's cash and investment reserves and whether they were considered sufficient to meet operational commitments for the foreseeable future; and
- value of the pension obligation. The value depends on a number of factors, determined on an actuarial basis, using a number of estimated assumptions. The assumptions used in determining the valuation of the pension scheme obligation include the discount rate, the Retail Prices Index (RPI) rate and the mortality rates. The discount rate is determined by considering the market yields on high quality corporate bonds, at the reporting date. Other assumptions are based on current market conditions. Additional information and relevant sensitivities are disclosed in note 21.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Donations and legacies

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and gifts	2,007,106	1,055,000	1,100	3,063,206	3,236,023
Legacies	-	4,410,501	-	4,410,501	2,049,551
	<u>2,007,106</u>	<u>5,465,501</u>	<u>1,100</u>	<u>7,473,707</u>	<u>5,285,574</u>

For the year ended 31 March 2024

Unrestricted funds	1,957,367
Designated funds	3,307,430
Restricted funds	20,777
	<u>5,285,574</u>

3 Income from charitable activities

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Charitable activities	<u>4,351,682</u>	<u>-</u>	<u>-</u>	<u>4,351,682</u>	<u>3,868,017</u>

For the year ended 31 March 2024

Unrestricted funds	3,868,017
Designated funds	-
Restricted funds	-
	<u>3,868,017</u>

Included within income relating to charitable activities are:
Integrated Care Board (Annual Grant)

3,150,447	3,326,241
<u>3,150,447</u>	<u>3,326,241</u>

4 Income from other trading activities

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Fundraising events	1,594,794	-	-	1,594,794	1,595,926
Income from commercial activities:					
- Charity shops	6,089,024	-	-	6,089,024	5,920,630
- Lottery	1,579,255	-	-	1,579,255	1,527,891
	<u>9,263,073</u>	<u>-</u>	<u>-</u>	<u>9,263,073</u>	<u>9,044,447</u>

For the year ended 31 March 2024

Unrestricted funds	9,044,447
Designated funds	-
Restricted funds	-
	<u>9,044,447</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

5	Investment income	Unrestricted funds £	Designated funds £	Restricted funds £	2025 £	2024 £
	Income from listed investments	220,446	-	-	220,446	192,353
	Interest receivable	436,784	-	-	436,784	325,496
		<u>657,230</u>	<u>-</u>	<u>-</u>	<u>657,230</u>	<u>517,849</u>

For the year ended 31 March 2024

Unrestricted funds	517,849
Designated funds	-
Restricted funds	-
	<u>517,849</u>

6	Other	Unrestricted funds £	Designated funds £	Restricted funds £	2025 £	2024 £
	Transfer of assets from Approach	-	-	-	-	240,502
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,502</u>

For the year ended 31 March 2024

Unrestricted funds	211,385
Designated funds	-
Restricted funds	29,117
	<u>240,502</u>

On 31 March 2024 assets with a value of £240,502 were transferred from Approach to Douglas Macmillan Hospice.

7 Analysis of costs of raising funds

	Unrestricted funds £	Designated funds £	Restricted funds £	2025 £	2024 £
Fundraising Costs	600,869	-	-	600,869	650,608
Costs of commercial activities:					
- Charity shops	4,025,369	-	-	4,025,369	3,463,663
- Lottery	670,444	-	-	670,444	603,918
	<u>5,296,682</u>	<u>-</u>	<u>-</u>	<u>5,296,682</u>	<u>4,718,189</u>

For the year ended 31 March 2024

Unrestricted funds	4,718,189
Designated funds	-
Restricted funds	-
	<u>4,718,189</u>

8 Analysis of expenditure on charitable activities

	Direct costs £	Support costs £	Total 2025 £	Total 2024 £
Inpatient Services	2,772,029	1,288,423	4,060,452	3,773,129
Medical	580,867	1,389,837	1,970,704	1,887,390
Community and Hospice at Home	2,872,989	283,484	3,156,473	2,909,500
Wellbeing	968,610	458,281	1,426,891	1,297,002
Learning and Development	170,039	58,840	228,879	219,229
Children and Young Adult Hospice	2,821,438	1,361,435	4,182,873	4,229,824
Dementia	441,128	200,365	641,493	-
	<u>10,627,100</u>	<u>5,040,665</u>	<u>15,667,765</u>	<u>14,316,074</u>

Unrestricted funds	14,207,717	13,094,060
Designated funds	1,459,537	1,221,507
Restricted funds	511	507
	<u>15,667,765</u>	<u>14,316,074</u>

9 Allocation of support costs

	Inpatient Services £	Medical £	Community and Hospice at Home £	Wellbeing £
Governance	39,685	42,421	8,613	14,045
Finance	124,316	135,451	27,764	44,464
Information technology	213,795	227,933	46,220	75,554
HR & reception	208,740	224,446	45,707	74,115
Facilities & health and safety	313,452	339,916	69,514	111,819
Depreciation	194,103	204,829	41,319	68,210
General overheads	187,021	206,762	42,680	67,438
Defined benefit pension scheme	7,311	8,079	1,667	2,636
	<u>1,288,423</u>	<u>1,389,837</u>	<u>283,484</u>	<u>458,281</u>

Allocation of support costs (Continued)

	Learning & Development £	Children and Young Adult Hospice £	Dementia £	Total 2025 £
Governance	1,989	41,496	6,213	154,462
Finance	5,061	132,886	19,190	489,132
Information technology	10,991	222,869	33,531	830,893
HR & reception	9,863	219,750	32,538	815,159
Facilities & health and safety	13,498	333,241	48,556	1,229,996
Depreciation	10,941	199,955	30,665	750,022
General overheads	6,251	203,291	28,554	741,997
Defined benefit pension scheme	246	7,947	1,118	29,004
	<u>58,840</u>	<u>1,361,435</u>	<u>200,365</u>	<u>5,040,665</u>

Support costs are allocated in proportion to total expenditure. Salary, wages and related costs are allocated to the charitable activities undertaken on the basis of the direct salary, wages and related costs incurred by each charitable activities. Other non-salary support costs are allocated to the charitable activities undertaken on the basis of the total salary costs and direct costs incurred by each charitable activity.

10 Analysis of governance costs

		2025 £	2024 £
Salaries, wages and related costs	Allocated on time basis	43,281	40,624
Audit fees (parent company)	Cost incurred	11,100	10,575
Premises costs	1.125% of total premises costs	4,947	4,122
Overheads	10% of overheads not included above	95,234	55,329
		<u>154,562</u>	<u>110,650</u>

11 Net income / (expenditure) for the year

	2025 £	2024 £
Net income / (expenditure) is stated after charging:		
Depreciation	750,022	683,919
Loss on disposal of tangible fixed assets	21,014	160,323
Auditors' remuneration (group) - audit and accountancy services	18,000	17,150
Auditors' remuneration (group) - non audit services	4,100	3,950
Investment management fees	48,428	44,455
Operating lease charges - buildings	<u>467,305</u>	<u>478,659</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

12 Financial activities of the charity	2025	2024
	£	£
Gross income	21,052,246	18,318,197
Total expenditure on charitable activities	(15,150,001)	(13,851,042)
Fundraising costs	(5,296,682)	(4,718,189)
Unrealised gains/ (losses) on investment assets	251,108	905,538
Net income/ (expenditure)	856,671	654,504
Total funds brought forward excluding pension reserve	28,697,098	28,042,594
Total funds carried forward excluding pension reserve	<u>29,553,769</u>	<u>28,697,098</u>
Represented by:		
Unrestricted income funds	9,221,059	9,864,732
Designated income funds	20,184,316	18,684,561
Restricted income funds	148,394	147,805
	<u>29,553,769</u>	<u>28,697,098</u>

13 Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equity share capital:-

Name of subsidiary	Country of incorporation	% of equity share capital held
Douglas Macmillan Hospice Staffordshire Enterprises Limited	England & Wales	100
Douglas Macmillan Hospice Staffordshire Lotteries Limited	England & Wales	100

Douglas Macmillan Hospice Staffordshire Enterprises Limited**Summary of trading results**

	2025	2024
	£	£
Turnover	73,257	75,369
Total expenditure	(31,320)	(25,114)
Profit for the year	<u>41,937</u>	<u>50,255</u>

The turnover from this entity is consolidated within total charity shop income reported in note 4 of these accounts. All profits in this subsidiary are distributed to Douglas Macmillan Hospice after the year end.

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Enterprises Limited were:

Assets	49,280	58,376
Liabilities	(7,341)	(8,119)
Funds	<u>41,939</u>	<u>50,257</u>

Douglas Macmillan Hospice Staffordshire Lotteries Limited**Summary of trading results**

	2025	2024
	£	£
Turnover	1,579,255	1,527,891
Total expenditure	(670,444)	(603,918)
Profit for the year	<u>908,811</u>	<u>923,973</u>

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Lotteries Limited were:

Assets	1,271,622	1,280,364
Liabilities	(362,809)	(356,389)
Funds	<u>908,813</u>	<u>923,975</u>

14 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were:

	2025	2024
	£	£
Wages and salaries	13,327,847	12,006,337
Social security costs	1,213,218	1,049,548
Pension costs	1,442,680	1,484,836
	<u>15,983,745</u>	<u>14,540,721</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2025	2024
	Number	Number
£60,001 to £70,000	4	3
£70,001 to £80,000	-	-
£80,001 to £90,000	-	1
£90,001 to £100,000	1	-
£100,001 to £110,000	-	-
£110,001 to £120,000	-	1
£120,001 to £130,000	<u>2</u>	<u>1</u>

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2025	2025	2024	2024
	Number	FTE	Number	FTE
Raising funds	147	129	128	110
Charitable activities	351	292	322	274
Governance	1	1	1	1
	<u>499</u>	<u>422</u>	<u>451</u>	<u>385</u>

The key management personnel of the charity comprise the members of its executive management team. The total employee benefits of the key management personnel of the charity were £621,393 (2024: £585,802).

The trustees neither received nor waived any remuneration during the year (2024:£Nil).

The trustees did not have any expenses reimbursed during the year (2024:£Nil).

The charity has received no donations with conditions from the trustees during the year (2024:£Nil).

15 Pension costs
FPS defined benefit scheme

The charity contributes to a defined benefit scheme and the details are in note 21.

Contributions are made in accordance with the annual recommendations of a qualified independent actuary.

The contributions to this scheme in the year were £Nil (2024: £Nil). Also during the year shortfall payments in respect of a recovery plan have been paid totalling £191,000 (2024: £190,995).

Contributions are also made to a second plan (FPS Federated Flexiplan) in accordance with actuarial recommendations.

NHS defined benefit scheme

The charity also contributes to the NHS Pension Scheme, which is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2024, is based on valuation data as At 31 March 2023, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The contributions to this scheme in the year were £199,426 (2024: £241,397).

Aviva/Nest defined contribution schemes

The charity also contributes to defined contribution schemes in respect of employees who do not qualify for the FPS scheme or the NHS scheme.

The contributions to these schemes in the year were £1,224,790 (2024: £1,031,445).

16 Tangible fixed assets Group and company	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2024	12,541,200	2,320,597	14,861,797
Additions	89,304	312,174	401,478
Disposals	(12,023)	(222,714)	(234,737)
At 31 March 2025	<u>12,618,481</u>	<u>2,410,057</u>	<u>15,028,538</u>
Depreciation			
At 1 April 2024	4,472,749	1,459,947	5,932,696
Charge for the year	405,291	344,731	750,022
Disposals	-	(213,723)	(213,723)
At 31 March 2025	<u>4,878,040</u>	<u>1,590,955</u>	<u>6,468,995</u>
Net book value			
At 31 March 2025	<u>7,740,441</u>	<u>819,102</u>	<u>8,559,543</u>
At 31 March 2024	<u>8,068,451</u>	<u>860,650</u>	<u>8,929,101</u>

17 Fixed asset investments	Cash	Listed inv.	Total	2024
	£	£	£	£
Market value at 1 April 2024	146,864	9,411,721	9,558,585	8,699,788
Additional funds invested	-	-	-	-
Additions at cost	(2,251,070)	2,251,070	-	-
Disposals at carrying value	2,287,733	(2,287,733)	-	-
Change in value in the year	-	251,108	251,108	905,538
Other movement in cash balance	(48,428)	-	(48,428)	(46,741)
Market value at 31 March 2025	<u>135,099</u>	<u>9,626,166</u>	<u>9,761,265</u>	<u>9,558,585</u>
Historical cost at 31 March 2025	<u>135,099</u>	<u>8,677,572</u>	<u>8,812,671</u>	<u>8,457,373</u>

The following investments made up more than 5% each of the total market value of listed investments or bonds at 31 March 2025.

	2025	2024
	£	£
BNY Mellon Investment Funds	559,359	-
Fidelity UCITS ICA US Quality Income Fund	577,482	481,419
Vanguard Funds PLC S&P 500	587,720	552,920
Ishares CORE FTSE100	<u>576,177</u>	<u>546,224</u>

Summary of Investments	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Investment in subsidiary companies	-	-	4	4
Other investments	9,761,265	9,558,585	9,761,265	9,558,585
	<u>9,761,265</u>	<u>9,558,585</u>	<u>9,761,269</u>	<u>9,558,589</u>

18	Stock	Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
	Stock in hand	5,669	10,272	-	-
		<u>5,669</u>	<u>10,272</u>	<u>-</u>	<u>-</u>

19	Debtors	Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
	Trade debtors	120,404	23,351	120,404	23,352
	Amounts owed by subsidiary undertakings	-	-	-	177,808
	Other debtors	2,652,129	1,688,137	2,652,129	1,685,274
	Prepayments and accrued income	18,011	38,479	18,011	38,478
		<u>2,790,544</u>	<u>1,749,967</u>	<u>2,790,544</u>	<u>1,924,912</u>

20	Creditors: amounts falling due within one year	Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
	Trade creditors	249,314	277,510	245,345	274,235
	Amounts owed to subsidiary undertakings	-	-	213,654	45,574
	Other creditors	567,420	562,329	210,315	211,230
	Taxes and social security	281,018	262,936	281,018	262,936
	Accruals and deferred income	913,476	1,341,155	907,794	1,334,000
		<u>2,011,228</u>	<u>2,443,930</u>	<u>1,858,126</u>	<u>2,127,975</u>

21	Pension and other post-retirement benefit commitments	Defined benefit pension plans	
		2025	2024
	Employee benefit obligations	£	£
	a) The amounts recognised in the balance sheet are as follows:		
	Present value of funded obligations	6,514,000	7,318,000
	Fair value of plan assets	(7,539,000)	(8,091,000)
	Surplus not recognised	1,025,000	773,000
	(Surplus)/ Deficit	<u>-</u>	<u>-</u>
	Net pension (asset)/ liability recognised before tax	<u>-</u>	<u>-</u>

b) The amounts recognised in the statement of financial activities are as follows:

Current service cost included in staff costs within total resources expended		
Net interest cost	-	-
Expenses	(18,000)	(16,000)
Past service cost	(11,000)	(11,000)
	<u>(29,000)</u>	<u>(27,000)</u>

21 Pension and other post-retirement benefit commitments (continued)

c) Included with other recognised gains and losses:

	2025	2024
	£	£
Return on assets, excluding interest income	(587,000)	(46,000)
Impact of surplus restrictions	-	-
Change in irrecoverable surplus	-	-
Actuarial gains on liabilities	613,000	34,000
Pension scheme surplus not recognised	(210,000)	(152,000)
	<u>(184,000)</u>	<u>(164,000)</u>

d) Changes in the present value of the scheme liabilities:

	2025	2024
	£	£
Opening liabilities	7,318,000	7,441,000
Current service cost	-	-
Past service cost	11,000	11,000
Interest cost	338,000	340,000
Contribution by scheme participants	-	-
Actuarial gains	(613,000)	(34,000)
Benefits paid (including payments to and on account of leavers)	(540,000)	(440,000)
	<u>6,514,000</u>	<u>7,318,000</u>

e) Changes in fair value of the scheme assets:

	£	£
Opening fair value of scheme assets	8,091,000	8,031,000
Interest income	380,000	371,000
Actuarial losses on assets	(587,000)	(46,000)
Contributions by employer	213,000	191,000
Expenses paid	(18,000)	(16,000)
Benefits paid (including payments to and on account of leavers)	(540,000)	(440,000)
	<u>7,539,000</u>	<u>8,091,000</u>

f) The major categories of scheme assets are as follows:

	2025	2024
	£	£
Equity	1,442,000	1,625,000
Bonds	5,818,000	6,176,000
Cash	279,000	290,000
	<u>7,539,000</u>	<u>8,091,000</u>

g) Principal actuarial assumptions used by the actuary at the balance sheet date

	2025	2024
	%	%
Discount rate at 31 March	5.70	4.80
Rate of inflation (RPI)	3.15	3.25
Rate of inflation (CPI)	2.85	2.95
Rate of salary increase	2.50	2.50
Rate of increase to pensions in payment		
- Pre 1997 (Discretionary)	0.00	0.00
- 1997 - 2009 (RPI max 5%)	3.05	3.15
- Post 2009 (RPI max 2.5%)	2.15	2.20

21 Pension and other post-retirement benefit commitments (continued)**g) Principal actuarial assumptions used by the actuary at the balance sheet date (continued)**

Expected life expectancies on retirement at age 65 are:	2025	2024
	Years	Years
Males retiring immediately	19.40	19.40
Females retiring immediately	23.30	22.90
Males retiring in 20 years time	21.20	21.20
Females retiring in 20 years time	25.10	24.70

22 Financial commitments**Commitments under operating leases**

As at 31 March 2025 the group was committed to making the following payments under non-cancellable operating leases as set out below:

	2025	2025	2024	2024
	Land & buildings	Other	Land & buildings	Other
	£	£	£	£
Group and company:				
Operating leases which expire:				
Within one year	380,576	38,111	440,456	44,142
Between two and five years	653,576	18,113	760,937	56,224
After five years	80,000	-	210,000	-
	<u>1,114,152</u>	<u>56,224</u>	<u>1,411,393</u>	<u>100,366</u>

23 Capital commitments

	Group and Company	Group and Company
	2025	2024
	£	£
Contracted, not provided for	-	-
	<u>-</u>	<u>-</u>

24 Company limited by guarantee

Douglas Macmillan Hospice is a company limited by guarantee and accordingly does not have share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes:

	Movement in funds				Balances at 31 March 2025
	Balances at 1 April 2024	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Other specific purposes	147,805	1,100	(511)	-	148,394
	147,805	1,100	(511)	-	148,394

Purposes of the funds

Specific purposes represents various donations made where the donors have asked that the monies be utilised to fund a specific aspect of the hospice's activities or to purchase particular items of equipment.

26 Designated funds

The income funds of the charity includes the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balances at 31 March 2025
	Balances at 1 April 2024	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Fixed assets fund	8,929,101	-	(750,022)	380,464	8,559,543
Legacy equalisation fund	6,083,182	4,410,501	-	(2,886,673)	7,607,010
Young adult hospice fund	3,672,278	1,055,000	(709,515)	-	4,017,763
	18,684,561	5,465,501	(1,459,537)	(2,506,209)	20,184,316

The fixed assets fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of all assets.

The legacy equalisation fund has been designated by the trustees to provide for expenditure in future years. The trustees recognise the unpredictable nature of this source of income and have set aside funds to provide for expenditure not covered by income from other sources.

The young adult hospice fund relates to funding from the Denise Coates Foundation towards the on-going running costs of the young adults' hospice.

The transfer to the fixed asset fund is in respect of fixed asset additions in the year now designated by the trustees as part of the fixed asset fund and also fixed assets transferred from restricted funds.

The transfer from the legacy fund is to reflect the amount transferred to unrestricted income previously designated by the trustees. The amount is calculated on the multi year average of legacy income.

27 Analysis of group net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2025 are represented by:				
Tangible fixed assets	-	8,559,543	-	8,559,543
Investments	9,761,265	-	-	9,761,265
Current assets	1,512,959	11,624,773	148,394	13,286,126
Current liabilities	(2,011,228)	-	-	(2,011,228)
	9,262,996	20,184,316	148,394	29,595,706
Pension reserve	-	-	-	-
Group net assets	9,262,996	20,184,316	148,394	29,595,706

28 Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	2024 £	Charity 2025 £	2024 £
Net income for the reporting period	848,353	663,664	856,671	654,504
Adjustments for:				
Depreciation charges	750,022	683,919	750,022	683,919
Loss on disposal of tangible fixed assets	21,014	160,324	21,014	160,324
Decrease in investment cash balance	11,765	37,982	11,765	37,982
Gains on investments	(251,108)	(905,538)	(251,108)	(905,538)
Actuarial loss	184,000	164,000	184,000	164,000
Dividends, interest and rents from investments	(657,230)	(517,849)	(657,230)	(517,849)
Difference between pension charge and cash contributions	(184,000)	(164,000)	(184,000)	(164,000)
(Increase)/ decrease in stocks	4,603	(1,238)	-	-
(Increase)/ decrease in debtors	(1,040,577)	230,709	(865,632)	55,523
Increase/ (decrease) in creditors	(432,702)	1,172,278	(269,849)	996,709
Net cash provided by operating activities	(745,860)	1,524,251	(404,347)	1,165,574

29 Analysis of net cash balances

	1 April 2024 £	Cash flow £	Non-cash changes £	31 March 2025 £
Cash at bank and in hand	10,943,358	(453,445)	-	10,489,913
Fixed asset investments	9,558,585	(48,428)	251,108	9,761,265
	20,501,943	(501,873)	251,108	20,251,178

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

30 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	Notes	Group 2025 £	2024 £	Charity 2025 £	2024 £
Financial assets					
Measured at fair value through net income / expenditure:					
Fixed asset listed investments	17	9,761,265	9,558,585	9,761,269	9,558,589
Debt instruments measured at amortised cost:					
Trade debtors	19	120,404	23,351	120,404	23,352
Amounts owed by subsidiary undertakings	19	-	-	-	177,808
Other debtors	19	2,652,129	1,688,137	2,652,129	1,685,274
		<u>2,772,533</u>	<u>1,711,488</u>	<u>2,772,533</u>	<u>1,886,434</u>
Financial liabilities					
Measured at amortised cost					
Trade creditors	20	249,314	277,510	245,345	274,235
Amounts owed to subsidiary undertakings	20	-	-	213,654	45,474
Other creditors	20	567,420	562,329	210,315	211,230
Taxes and social security	20	281,018	262,936	281,018	262,936
Accruals and deferred income	20	913,476	1,341,155	907,794	1,334,000
		<u>2,011,228</u>	<u>2,443,930</u>	<u>1,858,126</u>	<u>2,127,875</u>

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	Notes	Group 2025 £	2024 £	Charity 2025 £	2024 £
Financial assets measured at fair value through net income / expenditure	17	251,108	905,538	251,108	905,538

31 Related party transactions

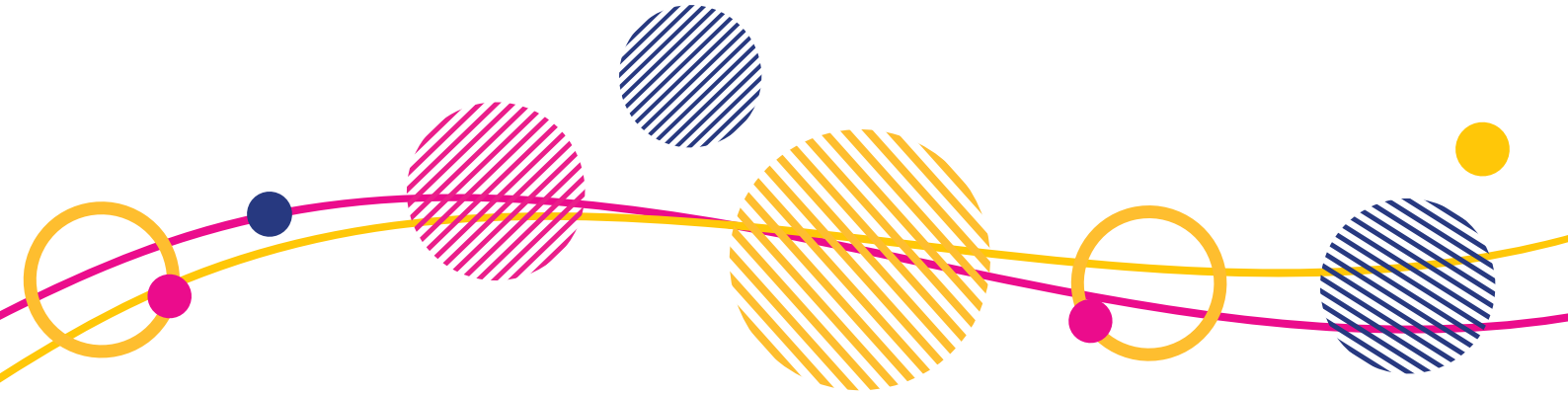
There were no related party transactions during the year (2024: £Nil).

Adult Services

Barlaston Road
Blurton
Stoke-on-Trent
ST3 3NZ
01782 344300

Children and Young Adult Services

Grace Road
Trentham
Stoke-on-Trent
ST4 8FN
01782 654440



www.dougiemac.org.uk



/DougieMacHospice



/DMHospice



/DougieMacHospice

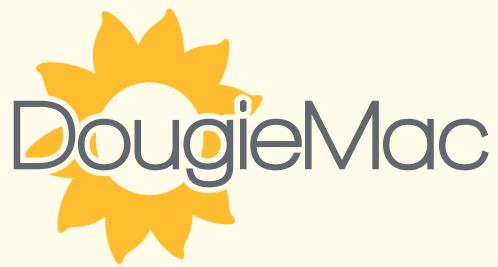


/DougieMacStoke

DOUGLAS MACMILLAN HOSPICE

England & Wales - Charity number 1071613

Accounts



***Our Strength is Caring.
Our Focus is You.***




2023 – 2024

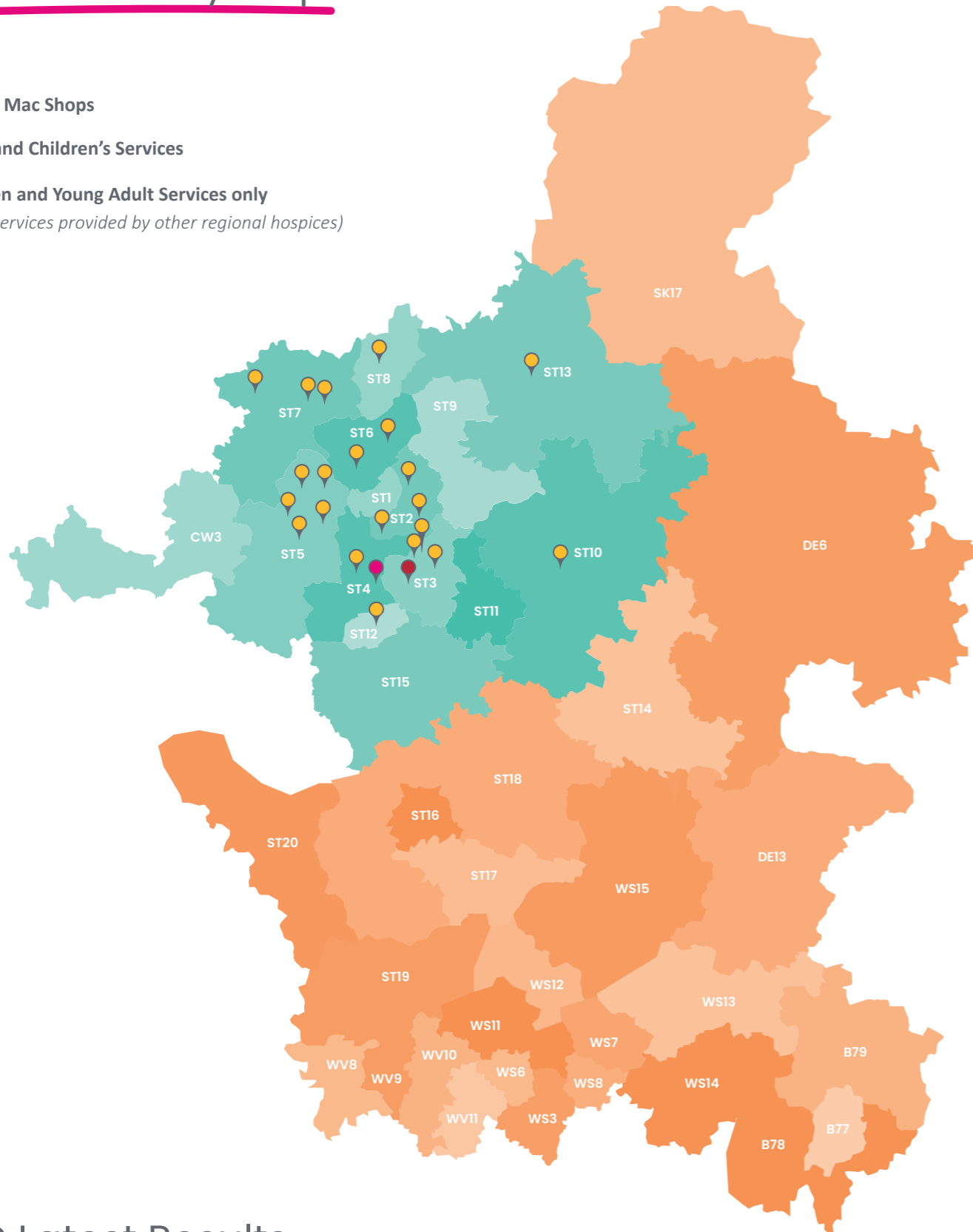
Trustees' Annual Report and Financial Accounts

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Service Delivery Map

-  Dougie Mac Shops
-  Adult and Children's Services
-  Children and Young Adult Services only
(Adult Services provided by other regional hospices)



CQC Latest Results

 Barlaston Road, Blurton, Stoke On Trent, ST3 3NZ
(01782) 344300
Provided by: Douglas Macmillan Hospice

CQC inspection area ratings
(Latest report published on 3 February 2015)

Safe	Good	
Effective	Good	
Caring	Good	
Responsive	Outstanding	
Well-led	Good	

CQC Inspections and ratings of specific services
(Latest report published on 3 February 2015)

CEO Report



This Annual Report aims to spotlight the impact of Dougie Mac on our local community and to reinforce the compelling message that our hospice is a financially robust, resilient and highly regarded charity, with a commitment to our core values at the pivotal centre of all that we do.

This past year has been a challenging one for the hospice sector. We do not exist in a vacuum and the well-publicised pressures on our NHS mean that palliative and end of life care in a hospice is not immune to the headwinds in acute care and in primary care too. However, Dougie Mac is an independent hospice, not reliant on statutory funding but, on the contrary, for the past 51 years, dependent on the kindness and generosity of the people of North Staffordshire, for donated funding which accounts for around 76% of the annual income of £21 million required to run our hospice. In this report you will read about how we spend these donations, and the amazing impact our hospice has on the local health system, as well as confirmation that we have financial reserves to match our reputation for excellent care.

In looking back at our 2023/24 financial year, our strategic objective has been to grow our services and the finest example of this was the merger of Approach Dementia Services into Dougie Mac. This transaction, although formally completed on 1 April 2024, occupied several months of planning in transferring 21 staff to Dougie Mac and fulfilling our strategic goal of responding to the intensifying need for dementia support amongst many local families. Dougie Mac has spearheaded hospice-led dementia care, and this merger encapsulates our commitment to playing our part in helping local people deal with this terminal illness.

Growth of our services and our community reach has certainly not been confined to the expansion of dementia support and this report contains many examples of the impact that we have as an "all age" hospice. Dougie Mac is a formidable force in palliative and end of life care, and this past year we have equipped the hospice with substantial resources to forge an even stronger future, irrespective of the inevitable challenges we will face. However, to achieve our consistent success requires the very best people working in harmony towards our apex goal of being an authentic centre of excellence in palliative and end of life care. Consequently, I'd like to pay a personal tribute to the magnificent staff and volunteers at Dougie Mac, whose tenacity, kindness, loyalty and dedication make this a very special place and a jewel in the North Staffordshire community.

David Webster, Chief Executive



Who we are

Dougie Mac has been caring for people across Stoke-on-Trent, North Staffordshire and the surrounding areas for more than fifty years. For most of those fifty years we cared solely for adults with life-limiting illnesses, however in 2021 we also began caring for children and young adults too.

Our adult services offer a wide range of hospice care, free of charge, to patients with life-limiting illnesses, including cancer, advanced heart failure, dementia, motor neurone disease and incurable lung diseases. We also offer supporting care to their families and carers.



Most of our adult care happens in our patients' own homes and our teams work closely with GPs to provide support with complex issues, including unmanaged symptoms and social, psychological and spiritual concerns.

For patients in the last two weeks of their life our Hospice at Home service is able to provide practical support and emotional care for them, their carers and families.

Some patients prefer to receive their care at the hospice, or are unable to remain at home, and our Inpatient Unit is like a second home. As well as providing specialist care for individuals during the final stages of their illness, we also provide short stays for patients who require symptom control including pain management to help stabilise their condition before returning home.



In 2021 we extended our care to include children and young adults facing a life-shortening illness, which may be as a result of illness or injury.

We know that caring for a child with a life-limiting condition can put incredible demands on families, both physically and emotionally, and our care teams work together with the aim of making every moment count for the families we support. This support may include respite stays, day care, sibling group sessions, play therapy and end of life care and bereavement support.

For the young adults we support our focus is very much on supporting them to live their lives, recognising their individuality within a family centred approach. Our aim is to support each individual to enjoy every experience they can, while receiving our specialist support.

Our aim is to provide our patients, no matter how old, the right support, at the right time, by the right people.



76% of all that we do is funded by the community supporting our fundraising.

Vision, Mission and Values

Our Vision is... to be admired as a centre of excellence for palliative and end of life care.

Our Mission is... to respond to the increasing needs of those in our care across our heartland by growing as a sustainable organisation delivering outstanding value for money for all our funding sources and always remaining true to our core values.

Our Values are...



Compassion

Working together by considering the views of others, understanding the challenges they face and providing support.



Accountability

Taking personal responsibility for our actions, owning our decisions and behaviours.



Respect

Always trusting, listening and challenging each other. Understanding that we are at our best as individuals whilst working as a team.



Excellence

Embracing excellence by empowering and motivating each other to be the best that we can be.

Super Support Services 23/24

Always striving to maintain the highest standards at Dougie Mac are our vital support services who work hard to ensure a safe, clean and comforting environment for the people we provide care and support for.



Significant I.T. preparation for our new adult patient database.

Launching in 2024

Total replacement of our datacentre server and storage hardware

Cooking up a Great Mix

In 2023 we received a grant from Together for Short Lives in partnership with the local Morrisons Supermarket stores. This funded the refurbishment of the kitchen at the Children & Young Adult Services.



Hospice Voice

Integral in raising awareness of Dougie Mac and the impact of our services, our Marketing and Communications Team has continued to produce informative resources, maintain the supporter database and promote ways people can support the hospice throughout 2023/2024.

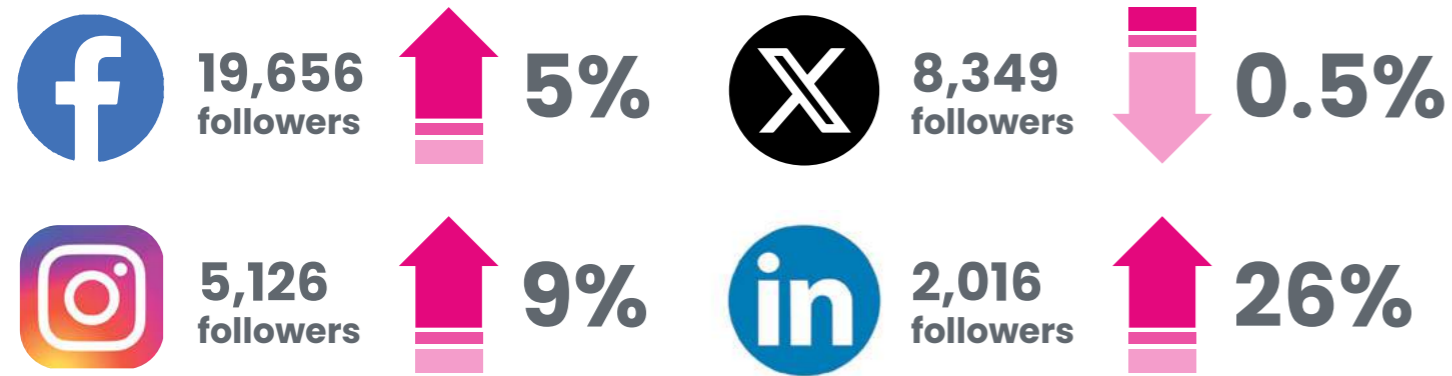
The team have continued to be the voice of the hospice cementing our key messages within the local community, focused around awareness of our services and reinforcing that we provide care for all ages.

Within the function there is also a great amount of pride in being able to share the voices of others, specifically the people who use our services and those who work or volunteer within them. These stories are brought to life in our expertly designed hospice communications in addition to them appearing across a variety of media. Sharing stories is essential to inform those who may need us now, or in the future, about our services as well as securing support to help fund the hospice's specialist care offering.

Marketing are also the proud creators of this annual report which showcases the hospice's achievements and highlights in 2023 - 2024.

Social Success

Throughout 2023/2024 social media has continued to be a core channel for Dougie Mac to share information, engage with others and encourage support, with a noticeable increase of video content across our platforms.



Our website is always there and home to plenty of resources for those in our community who may need our help, or, for those who would like to help us.

www.dougiemac.org.uk

People are at the heart of all we do...



To me, Dougie Mac doesn't mean death, it means life and that's what they gave us

Dougie Mac is an amazing place and without the support of the Young Adult team and their care I would not be the person I am today. I simply don't know where I'd be without them.

Caitlin generally spends a day per month at the hospice, which allows her to be in charge of what she wants to do and gives her the opportunity to just be a child.

What an absolutely fantastic day it was - full of giggles and smiles. Another wonderful memory to cherish.

It meant everything that our faith and community were welcomed and supported at the hospice.

Our Strategic Goals

Our previous “DMH@50” strategy ended with our 50th birthday celebrations in February 2023 and covered a very successful four year period for Dougie Mac which included the landmark merger with the Donna Louise Trust, enabling our services to be extended into care for children and young adults.

The hospice’s new 3 year strategy from April 2023 – March 2026, is a three year plan designed to show how our mission, vision and values interact to create an ambitious and robust plan which will guide our decision making during this period.

Our Strategic Plan sets out seven strategic priorities:



1 Recruit, retain and develop a compassionate, committed workforce

Dougie Mac has a good reputation for staff engagement and satisfaction, our aim is to continue with measures to develop, retain and recruit a professional, compassionate and committed workforce.



2 Continue to integrate our children & young adult services to widen their impact

Dougie Mac is an “all age” hospice and so we aim to fully integrate our Children and Young Adult Services so that their impact can be more widespread.



3 Tackle inequality in accessing specialist, end of life care

Dougie Mac aims to play our part as an active partner seeking to improve outcomes in local population health, tackling inequality of access to high quality palliative and end of life care.



4 Expand our response to the intensifying need for dementia support

Dougie Mac’s goal is to expand our response to the intensifying need for support and palliative care for local people with dementia.



5 Develop environmental sustainability approach in all areas of the hospice

Our community is at the heart of what we do and we are committed to minimising the environmental impact of our work and being a greener charity.



6 Continue the growth of our Wellbeing Services

Dougie Mac is committed to holistic, personalised care for our patients so we intend to extend our Wellbeing Service.



7 Reinforce our financial stability with effective cost management & income generation

Dougie Mac is committed to reinforcing the financial sustainability of the hospice by wise financial management and astute control of costs and resources.



Recruit, retain and develop a compassionate, committed workforce

Dougie Mac has a good reputation for staff engagement and satisfaction, our aim is to continue with measures to develop, retain and recruit a professional, compassionate and committed workforce.

1

Recruit, retain and develop a compassionate, committed workforce

We're proud of the way our staff and volunteers work together to provide the very best service possible to the people we care for, their families and our supporters. We are committed to recruiting the right people and retaining and developing our much-valued workforce.

Our vision of being a centre of excellence is supported by our work with external validations with the aim to have achieved, and maintained, 3 star accreditation with Best Companies and also to be recognised as High Performing in the Investors in Excellence framework.



98
new starters
in 23/24



452
members
of staff

728
volunteers



13%
of leavers were retirees



21%
of staff had a
role change



92
vacancies
advertised

Joining Dougie Mac

The recruitment of Registered Nurses and Care Support Workers remains one of our greatest challenges, however we are continually reviewing our approach and looking for ways to improve. We have implemented a new cloud based recruitment system. Candidates can access the system via mobile phones and tablets making it easier and more accessible for people to apply as well as the ability to manage and track their application online thus enhancing the candidate's experience. There have been significant efficiencies for the HR team and the quality and number of applications has increased.

We have also continued with our recruitment open days and taster sessions where appropriate, which include an opportunity to see the working environment, allows for on-the-spot interviews and a chance to speak to people working on the frontline. We have also recently undertaken a recruitment and retention audit with an external consultant and plan to deliver recruitment and retention training for line managers.

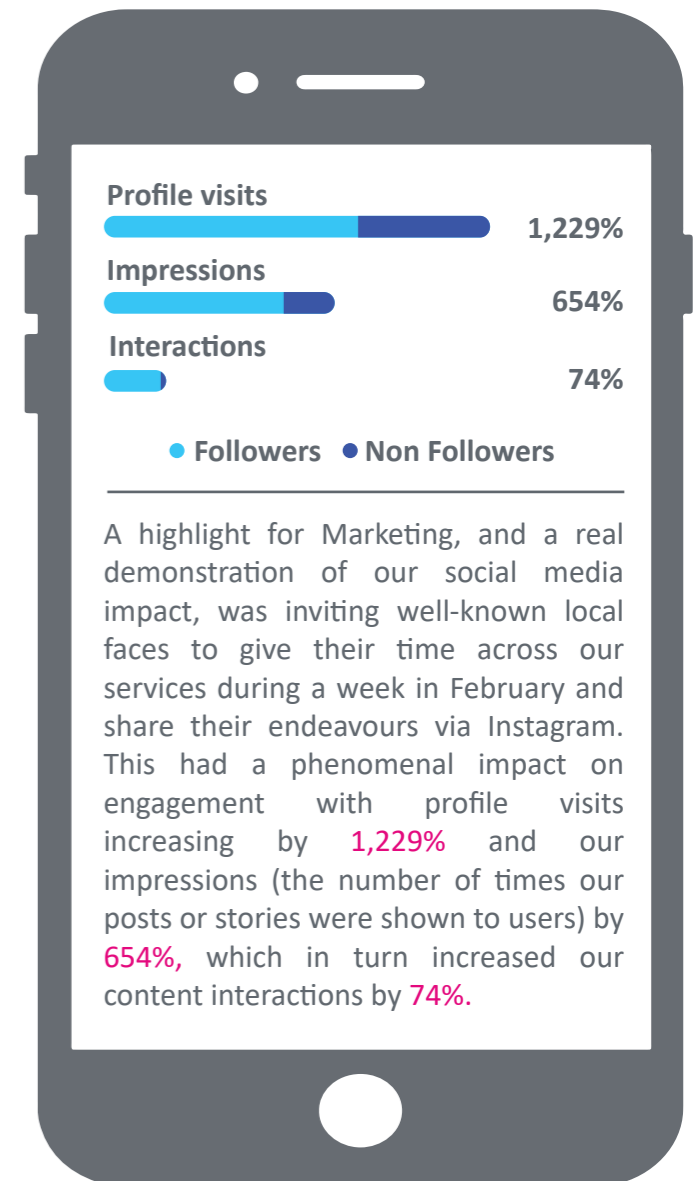
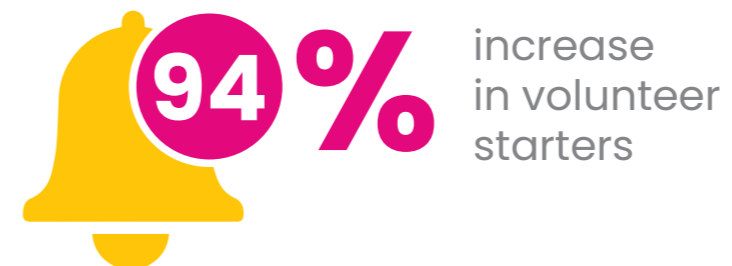


Volunteers

A key part of delivering our ambitious strategy is ensuring we utilise volunteers in all areas to support efficiency and effectiveness; this means engaging with our existing volunteers and adding to our dedicated volunteer number.

We recruited additional members of staff to allow the Volunteer Services team to focus on these key areas and these roles have enabled us to increase our training compliance noticeably, attend more recruitment events in local educational settings and community groups to showcase the wide range of benefits of volunteering.

The New Year saw Volunteer Services work closely with the Marketing & Communications Team who helped deliver a successful six week recruitment campaign to recruit new volunteers with the aim to reach 100,000 hours of volunteering in 2024. Marketing facilitated press and radio coverage, as well as various forms of advertising including one of our retail vans being wrapped to really catch everyone's attention.



A highlight for Marketing, and a real demonstration of our social media impact, was inviting well-known local faces to give their time across our services during a week in February and share their endeavours via Instagram. This had a phenomenal impact on engagement with profile visits increasing by **1,229%** and our impressions (the number of times our posts or stories were shown to users) by **654%**, which in turn increased our content interactions by **74%**.

Celebrating Our People

All year round staff have the opportunity to recognise their peers by submitting a GREATix highlighting how they have excelled in demonstrating the values in their work which can be seen by all staff members on our internal Intranet. We also hold our annual staff awards to showcase the hard work and dedication of Dougie Mac staff; with all nominations being made by peers. Staff long service is also recognised annually as part of our Dougie Awards.

Congratulations to our winners in 2023:

Newcomer of the Year – Purnima Sovis

Supporting Excellence – Jodee Colclough

Team of the Year – Retail

Excellence in Clinical Care – Emily MacLennan

Income Generation Excellence – Brogan Evans

Star of the Year – Emma Chapman



For our volunteers we revamped our long service certificates and badges and increased their frequency. Volunteers now receive pin badges on their first anniversary, their 3rd, 5th and 10th too, continuing to receive a new badge for each additional five years of service – these will be rolled out over the next 12 months.

Every June we also celebrate Volunteers' Week and use it as a vehicle to say a big thank you to all our volunteers for their time and support. We encourage each department to help us celebrate our fabulous team of volunteers with bunting and notes of appreciation amongst other activities. Christmastime is another opportunity to thank our volunteers on behalf of the organisation with treats and Christmas cards being delivered to departments and shops as well as holding a free raffle for all volunteers.



Listening to our people

Dougie Mac – a World Class Organisation



75% Participation
Number 1 charity in 2023



In May 2023 Dougie Mac achieved a three star accreditation from Best Companies which is their highest standard of workplace engagement, representing organisations that truly excel. Achieving three stars is a massive accolade: we are a World Class organisation to work for. We made significant progress to reach the number 1 spot in the 2023 'Best Charity to Work For' list whilst also making strong headway in the regional and national lists.

The Best Companies accreditation is based entirely on anonymous employee feedback, giving all hospice employees an opportunity to have their say about working at the hospice.

We also completed our annual volunteer staff survey at the start of the year. 44% of volunteers took part which is an increase of 3% from last year and fantastic in comparison to an industry standard of 20%. It was great to see that our volunteers are proud to volunteer at Dougie Mac and would recommend volunteering to their friends. These results helped to put together plans to increase a focus on training for our volunteers and also to ensure all volunteers felt appreciated and engaged.

Developing our people

Communication skills is a core skill for any professional, at Dougie Mac we are proud to have successfully implemented an in-house communication skills framework that is suitable for all staff. Our very own staff have developed their knowledge and skills to facilitate the sessions across all levels; also supported by our team of simulated patients to support staff in their learning experience.

We understand the importance of communication and have invested heavily in having a strong structure in place so staff can improve their skills, grow professionally and help deliver excellent care.

Deb Nixon who started as a volunteer at the hospice in 2015 received confirmation in 2024 she is now a Registered Nurse and has joined the NMC register. Deb utilised several learning and development opportunities throughout her time at the hospice most recently completing her Registered Nurse Degree Apprenticeship which has been fully funded by the hospice's apprenticeship levy.

This flexible route to becoming a nurse doesn't require full-time study at university and offers our Registered Nurse Associates a route to progress. We recognise that supporting and developing our own staff is vital so we are proud to be able to offer these, and similar, opportunities to our staff.



Supporting Equity, Diversity and Inclusion is another priority for our people, who want to bring about positive change to all that we do, from recruiting our workforce to making our care accessible to those that need it. A working group of staff has been set up this year with key milestones identified to support the hospice eliminate potential barriers and build on our vision to be a centre of excellence in all ways, helping our staff and volunteers learn along the way.



Over **60** different
face-to-face learning sessions



71
staff accessed face to face wellbeing sessions



94.63%
mandatory training compliance in Quarter 4



Continue to **integrate** our **children & young adult** services to widen their impact

Dougie Mac is an “all age” hospice and so we aim to fully integrate our Children and Young Adult Services so that their impact can be more widespread.

2

Continue to integrate our children and young adult services to widen their impact

A pivotal part of our 3 year plan is expansion of our children and young adult services, however, this is impacted by the recruitment challenges we face, especially those outside of our control such as the national shortage of nurses. Our intention this year was to recruit and develop sufficient staff to help us achieve our planned growth so that by year end we could see the increase in service delivery.

Children’s Services



To increase day care and community visits by 10% on 2022/2023 figures.

10%

ACHIEVED
20%



Be able to facilitate more than 70% bed occupancy in our Children’s Services.

70%

ACHIEVED
71%



Our Family and Sibling Events

These events always prove to be extremely popular and give our children and families an opportunity to spend precious time together and make life-long memories.



attendances at our events in Summer 2023

For our families we hosted a Summer Beach Party (complete with a donkey, ice cream and candy floss), a Garden Party, an Animal Fun Day, a Brazilian Drumming Session and a Family Fun Day held at Wedgwood Cricket Club.



Our siblings attended trips to Alton Towers, Crocky Trail, Bear Grylls Adventure, Blackpool and a Tittesworth Water Sports Day as well as boxing classes and film nights. These events provided some much needed downtime where the children could have fun without having to consider the care needs of their sibling.

Plus a unique opportunity to make friends with other children in similar situations

To ensure there was something for everyone including the children that do not cope with noise or crowds we ran a family yoga session and a sound bath (meditation) session.

Organising these events to ensure everybody's care needs are met and everyone has the opportunity to attend is a huge undertaking. The success of these events is a testament to the hard work of our Play Team, Sibling Support Worker and Family Support Team.

Young Adults

Since re-opening in October 2021, the Young Adult Unit has continued to be transformed from an empty building to a welcoming and vibrant space providing a unique service for young adults living with palliative or complex health conditions. Throughout 2023/24, we were able to safely open 5 days a week for day opportunities with the team increasing by 249 hours a week which has enabled the provision of additional residential (overnight) support to be provided.

The recruitment of registered nurses remains a challenge and we continue to actively recruit registered nurses and care support workers to be able to resource this service, which currently provides individualised support for 49 young adults.

The ability to be able to provide unique and tailored care and support for this age group is vital as they can face distinct challenges related to identity, independence and social connections. Unlike traditional hospice care, young adult services focus on a holistic approach that combines medical, emotional and social support. One-on-one care is essential in this context as young adults often present with complex and varied requirements – **ones that simply cannot be met in other settings.**



We measure our service delivery in three core areas: respite, day opportunities and social opportunities. However, we also offer community support, hospital support, physiotherapy, symptom management and advanced care planning to help our young adults develop and increase independence. This year, we wanted to achieve a 50% uplift in overnight stays and increase day opportunities and social opportunities by 20% compared to last year.

A Complementary Therapist has also joined the service this year and in their first 3 months at the Young Adult Unit delivered 131 therapies to our young adults. It has been clear to see the benefits of therapeutic touch and the various treatments provided in both the presentation of our young adults and the feedback given from the young people and their parents / carers.



Year on Year



107%

uplift in overnight respite stays



53%

increase in day opportunities



168%

increase in social opportunities and activities

Although we have seen a significant increase in overnight support (a huge 311% increase when comparing quarter 1 to quarter 4) this has not adversely affected the availability of day opportunities which also has seen a really positive uplift. Group Activities for young adults have been a great success this year too, from social outings to in-house events we've doubled attendance throughout the year. One particular highlight was our first Mother's Day pamper treat where Mums and Daughters enjoyed a range of therapies including massages, facials and a special lunch treat.

For the first time this year our special garden room has also been used when we cared for a young adult post-bereavement. The young man did not pass away at the hospice but was moved here so his family could spend precious time with him while receiving emotional support from our specialist team.





Tackle inequality in accessing specialist, end of life care

Dougie Mac aims to play our part as an active partner seeking to improve outcomes in local population health, tackling inequality of access to high quality palliative and end of life care.

3

Tackle inequality in accessing specialist, end of life care

As part of this strategic priority we seek to improve outcomes in local population health, ensuring we are tackling inequality of access to high quality palliative care. Although there is an unfavourable external landscape our reputation and financial strength positions Dougie Mac to seize opportunities for expansion and for greater influence in the delivery of end of life care.

We remain an active partner within the Staffordshire and Stoke-on-Trent Integrated Care System and we continue to work collaboratively with our system partners to achieve the best outcomes for the population we serve. We want to solidify our status within the local health system during the next 3 years of our strategy including our aim to resource and further develop 24/7 access to advice and care while delivering a responsive, effective, caring and safe service for patients and their families.

2,311

new referrals to Dougie Mac Adult Services.

Aim to increase referrals by 10% over 3 years.
Achieved 3.74% in Year 1.

44%

of patients referred to Dougie Mac Adult Services had a non-cancer diagnosis, in the main these patients had dementia, heart failure, chronic respiratory disease or were frail or elderly.

3,328

Hospice at Home Face to Face Consultations

16,750

Community Face to Face Consultations

24/7 Access to Advice and Care

Throughout 23/24 our Advice Line has maintained the safe delivery of specialist advice, providing 24/7 support to patients, their carers and families as well as a resource for advice and support provided to external healthcare providers who deliver generalised palliative care.

We have also collaborated with three Staffordshire hospices to be able to extend the provision of a 24/7 specialist Advice Line service across Staffordshire which means more people are benefiting from having the opportunity to access specialist palliative care round the clock.

231

admissions to hospital were prevented because of calls to our Advice Line.



24/7 Advice Line

0 1 7 8 2 3 4 4 3 0 0

A strategy to grow the service in breadth and activity has been devised and substantial recruitment to support this growth has taken place, allowing us to respond to rapid and crisis cases. One key aspect being the introduction of paramedic skillsets into the team as they can support critical decisions that determine the appropriateness of hospital escalation. This will help us to reduce the number of inappropriate hospital admissions which is a key objective of ours as well as increasing face to face rapid support.

Admission to our Inpatient Services

The hospice is responsive to patients' needs and one aspect of this is to admit patients rapidly to Inpatient Services when required. The ability to admit patients within 2 days of an admission request is affected by the availability of beds however when admission is

not possible immediately, alternative sources of support are arranged in the interim. For example, home visits by community palliative care nurses, hospice doctors or support from our hospice at home service may be put in place.



AIM

to admit **60%** of all suitable referrals within 2 days



ACHIEVED

74.74%



AIM

10% increase on 2022/2023 Inpatient Services referrals



ACHIEVED

20%



Future Care Planning

The hospice also encourages patients to think about the future and discuss their wishes and preferences for their future care.

These conversations can be difficult and not all patients wish to have such discussions or have been referred relatively late or can lack the capacity to have these conversations.

Hospice Focus: Meet the Medical Team

At the absolute centre of the excellent care we deliver, is the Medical Team of Doctors and Advanced Nurse Practitioners in our Adult Services who have the time and focus to really understand a patient's condition and how best to support them medically to achieve their desired outcomes. Whilst a patient is with us, the team take over all their medical care. Dougie Mac are one of a few hospices in the country who have a dedicated team available on-call 24/7 to support patients, families and the wider Care Team. One of the key benefits of our model is that we are able to accept admissions at any time of the day, including late nights and weekends, to offer better support to patients, families and the local health environment, particularly as it helps to prevent unnecessary escalations to hospital.



Dr Melica Daily-Hunt (Associate specialist in Palliative Care), Dr Emer Cunningham-McKenna (Medical Director), Dr Elisabeth Rich and Dr Rosanna Montgomery (Speciality Doctors).



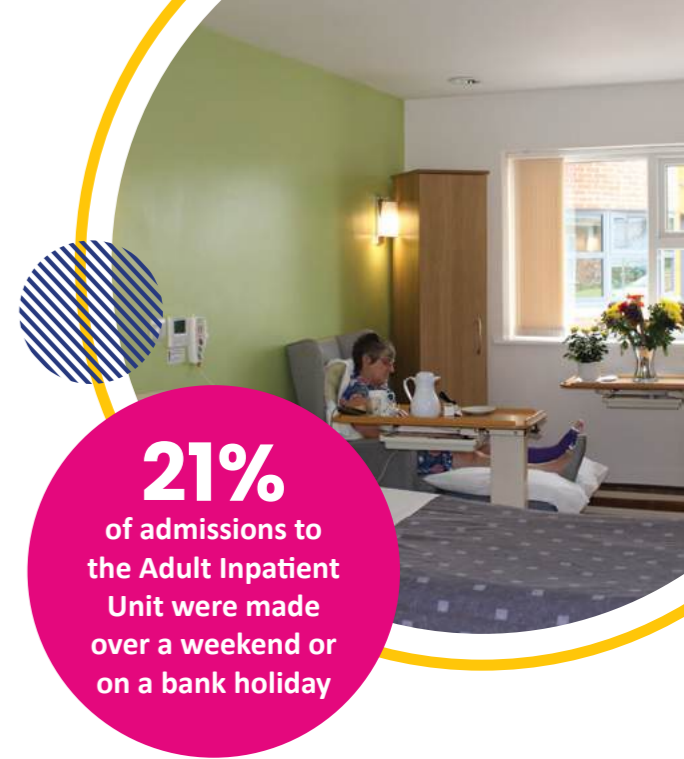
Emma was Dougie Mac's Star of the Year in 2023

Emma Chapman and Simon Tabbinor (Advanced Nurse Practitioners)

Working at Dougie Mac is the best job I have ever done! On the surface that seems a little strange, considering the nature of Palliative Care, but I feel it is the only job where I have truly been able to make a difference to a patient's care and journey. My role allows me to support patients and their families on their final journey and as part of the team and resources at the hospice, we can make that journey the best it possibly can be. In what other specialty or place can you do that?! A true privilege!

Medical Support at Dougie Mac

Our hospice doctors are experienced specialists in hospice and palliative medicine, as well as such specialties as acute medicine, frail and elderly care and oncology. They have excellent communication skills that help patients, families and staff understand and deal with the difficult issues and decisions that can arise when someone is terminally ill. They are expert in current principles of care quality and ethical issues in hospice care. Our Medical Team help the whole care team maximise a patient's comfort as they, and their family, cope with a terminal illness and help prepare the patient and family for the progression of illness.



21% of admissions to the Adult Inpatient Unit were made over a weekend or on a bank holiday

Key Responsibilities:

- **Assessing patient condition:** including their medical history, current symptoms and quality of life to determine exactly what is happening.
- **Managing symptoms:** to alleviate symptoms such as pain, nausea, shortness of breath and other discomforts associated with the patient's illness. This may involve adjusting medication regimens or prescribing additional treatments.
- **Providing pain and symptom management:** focussing on managing pain and other symptoms to improve the patient's comfort and quality of life. This may involve using medications, therapies or other interventions.
- **Ordering diagnostic tests:** to monitor the patient's condition and adjust their treatment plan as needed.
- **Developing a care plan:** working with the wider hospice team to develop a comprehensive care plan that addresses the patient's physical, emotional, social and spiritual needs.
- **Providing emotional support:** to patients and their families, helping them cope with the emotional aspects of their illness.
- **Providing education and guidance:** to patients and their families about their condition, treatment options and end-of-life care options to ensure informed decision-making.

Importantly, they assess if anything is reversible. Our doctors do not have a "nothing more can be done" approach. When a patient comes to the hospice, they do a complete "M.O.T" and check if there is something else other than the illness that is causing a decline or symptoms. By focusing on symptom management, pain relief and quality of life improvement; hospice doctors help our patients live comfortably and die with dignity in their chosen place of death.



85%

of patients achieved their preferred place of death.

*In 2023-24





Expand our response to the intensifying need for dementia support

With the number of people with dementia in the UK expected to rise to 1.6 million by 2040, the need for care and support for people with dementia will only increase and Dougie Mac is determined to play a proactive role in meeting this growing need in their local community.

Dougie Mac is continuing to provide specific wellbeing groups for dementia and we have two Admiral nurses who specialise in providing that end of life support. We have also continued to work closely with Approach Dementia Support since forming a strategic alliance back in 2018. We have collaborated closely, exchanging expertise and resources with the aim to offer outstanding support to individuals with dementia, along with their families and carers.

After careful consideration, the Trustee Boards and Senior Leadership teams of both organisations agreed that a formal merger was a natural next step to continue to enhance the care and support for those living with dementia across Stoke-on-Trent and North Staffordshire. The merger completed in April 2024.

The merger with Approach is evidence of the hospice's ongoing commitment to provide excellent care for patients and families affected by dementia. By integrating Approach's support services, we can establish a continuous and seamless journey for individuals affected by dementia, spanning from their initial diagnosis to palliative care if required. We intend to do this by delivering a safe, responsive, effective and caring service for patients and families affected by dementia.



Expand our response to the intensifying need for dementia support

Dougie Mac's goal is to expand our response to the intensifying need for support and palliative care for local people with dementia.

4



5

Develop environmental sustainability approach in all areas of the hospice

Our community is at the heart of what we do and we are committed to minimising the environmental impact of our work and being a greener charity.

Develop an environmental sustainability approach in all areas of the hospice

As a local charity with our community at its heart we are committed to: minimising the environmental impact of our work, being a greener charity and developing our environmental and sustainability strategy. During 2023-24 we took this to the next level by writing a strategy that outlined our green priorities and introduced guidance for measurement and reporting.

At Dougie Mac we recognise that building a sustainable and eco-friendly organisation is one of the pillars that support our centre of excellence, a foundation that our newly formed ESG Strategy Group will build upon. Represented by staff from each department within Dougie Mac the group will focus on:

Resource Conservation

Conserving supplies such as water, energy and paper throughout our operations

Waste Reduction

Reduce the generation of waste and promote recycling and proper disposal of waste materials

Green Procurement

Prioritise the purchase of environmentally friendly products and services whenever feasible, considering factors such as recyclability, sustainability and carbon footprint

Carbon Emissions Reduction

Reduce our carbon emissions by implementing energy-efficient practices, promoting alternative transportation options for staff and exploring renewable energy sources where possible. We will consider greener vehicle use of the hospice fleet and utilise telematics for monitoring purposes

The hospice group is committed to ensuring that the requirements, both legislative and best practice, are observed in all areas of Dougie Mac. The associated policy reflects our dedication to making a positive impact on the community and the environment, whilst upholding ethical principles and transparency in all aspects of our operations.



The Value of Giving Back *The Social Return of Charity Shops*

We are very proud to have played an instrumental part in the research and production of a ground breaking new report commissioned by the Charity Retail Association (CRA).

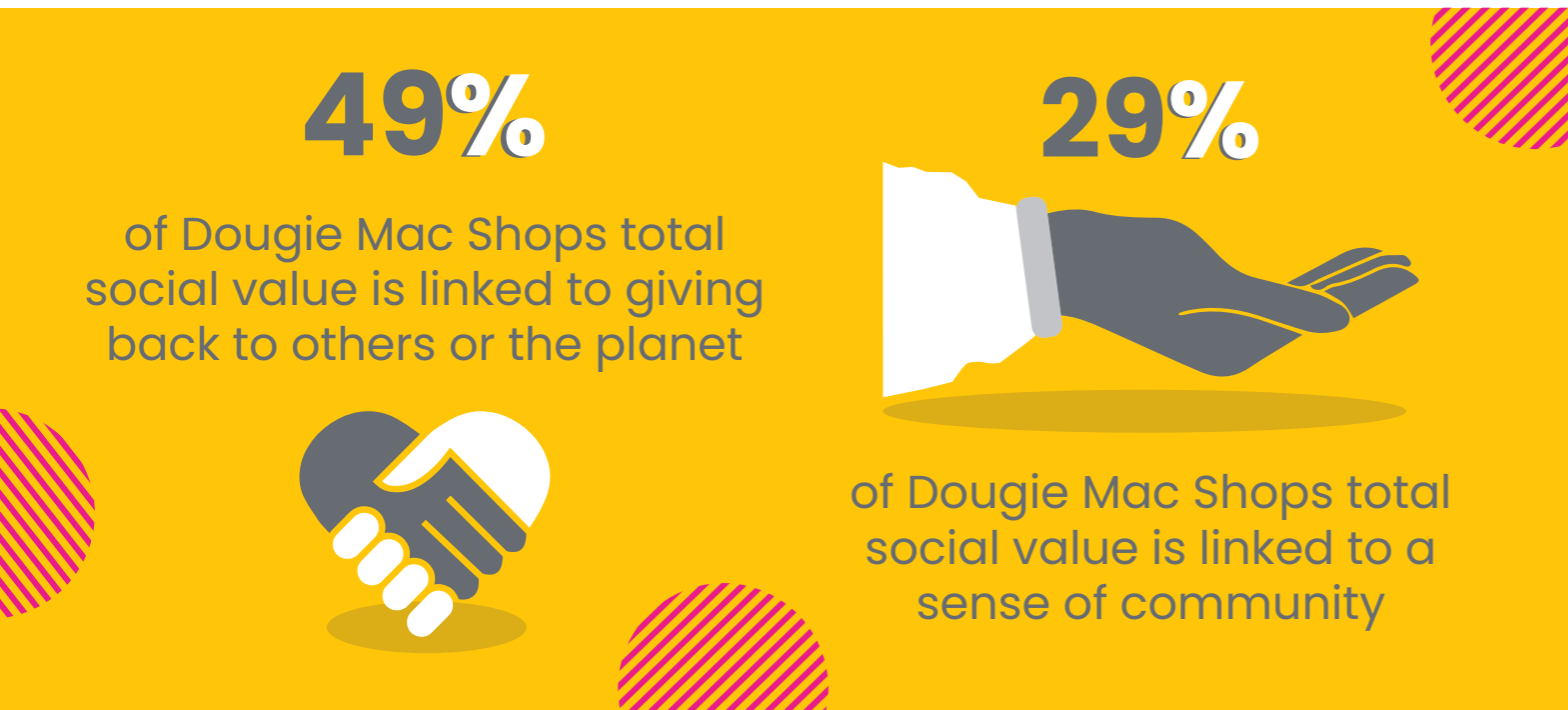
'The Value of Giving Back – The Social Return of Charity Shops' report is the first of its kind to be created for the charity retail sector to investigate the value charity shops have to society beyond the hundreds of millions of pounds they raise for their parent charities each year. The report was undertaken using established principles of assessing social value and highlights the benefits charity shops bring to customers, staff, volunteers and donors.

Utilising the Social Value Tool Kit specially created as part of the study, Dougie Mac was able to calculate that our charity shop network generated £173.78 million of social value (Apr 2022 - Mar 2023).

The report found that as well as being affordable and sustainable places to shop, our charity shops also play an important role in improving people's lives and wellbeing, generating social value in many different ways.



Dougie Mac Charity Shops 23/24



In April 2023 work commenced on our 20,000 sq. ft Sustainability Hub which is home to our in-house recycling. The Hub, now fully operational, is paramount in underpinning our ambitions of being a "zero to landfill" business. A fleet of retail vehicles fitted with telematic devices support the Hub on a daily basis, data from the equipment is being collated to calculate the level of carbon emissions that could be eradicated by switching to an all-electric fleet by 2027.

In March 2024, our Retail Board of Trustees approved a Waste Management Policy to reinforce our intentions of building an adequate waste disposal infrastructure for our chain of charity shops; the measures put in place included:

- A review of recycling procedures to identify opportunities of re-using, as opposed to disposing
- A waste segregation area for each retail unit
- Regular waste management audits to ensure compliance with regulations
- Promotion of waste reduction strategies
- Ongoing staff training in waste management procedures and practices
- Regular monitoring and evaluation of all processes to continually identify improvements and efficiencies
- Identify third party partnerships and collaborations with waste management companies to share best practice and resources



This years' results provide further proof that Dougie Mac is a contemporary hospice, deeply rooted in our community, perpetually alert to the changing priorities and the embedded values of the North Staffordshire people whom we are proud to serve.



Continue the **growth** of our Wellbeing Services

Dougie Mac is committed to holistic, personalised care for our patients so we intend to extend our Wellbeing Service.

6

Continue the growth of our Wellbeing Services

In April 2023, we revisited our Wellbeing offering and restructured where necessary to help develop our aim of sharing our skills and knowledge to empower patients, their carers and families by promoting choice, independence and self-management to improve the quality of their life.

By empowering individuals in the local community with palliative conditions to begin their journey with the hospice earlier helps enable a holistic, rehabilitative approach in advance of the need for end of life care. This initiative further supports our commitment to providing the right care at the right time and in the right place, always striving to ensure that individuals receive support tailored to their unique needs for longer.

A programme of activities was formulated to enable the reopening of our Wellbeing Centre post COVID as well as extending our offering in the community by creating and delivering group sessions across our area.



We also bolstered existing services to deliver support to more people which included recruitment of an additional SPARCS (Spiritual, Pastoral and Religious Care Service) Practitioner and expansion of community physiotherapy support. Our Counsellors were trained to offer Couples Therapy as well as 1-2-1 and group sessions for Children and Young People which saw an increase in delivery of counselling and emotional support face to face activity too.



22%

increase in face to face therapy



4

Community based groups

120+

patients, carers and bereaved carers accessing group support



12%

increase in face to face activity

32

Groups at Wellbeing Centre

1st

Dougie Mac Occupational Therapist recruited



Another key focus was to develop our Inclusion and Community Partnerships strategy to work towards addressing barriers to accessing Dougie Mac and promoting our services. Recruitment of a dedicated resource to take this strategy forward took place in Autumn 2023.

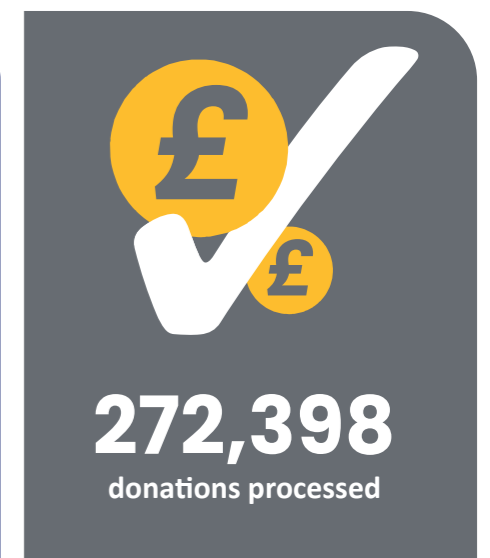


Reinforce our financial stability with effective cost management and income generation

Effective cost management and income generation are crucial for Dougie Mac. By managing costs efficiently, we can ensure that more funds are directed towards our mission and specialist services, truly maximizing the impact of every £1. Additionally, having a variety of income streams helps to create financial stability, reducing reliance on any single source of funding.

This financial resilience not only supports our ongoing operations but also fosters trust within the community that supports us; demonstrating a responsible and honest approach which in turn encourages the continued support we need for the future.

Every team has a part to play in managing costs astutely, with our Finance Team integral to guiding and supporting this objective by accurate budgeting, managing cash flow and sound financial planning.



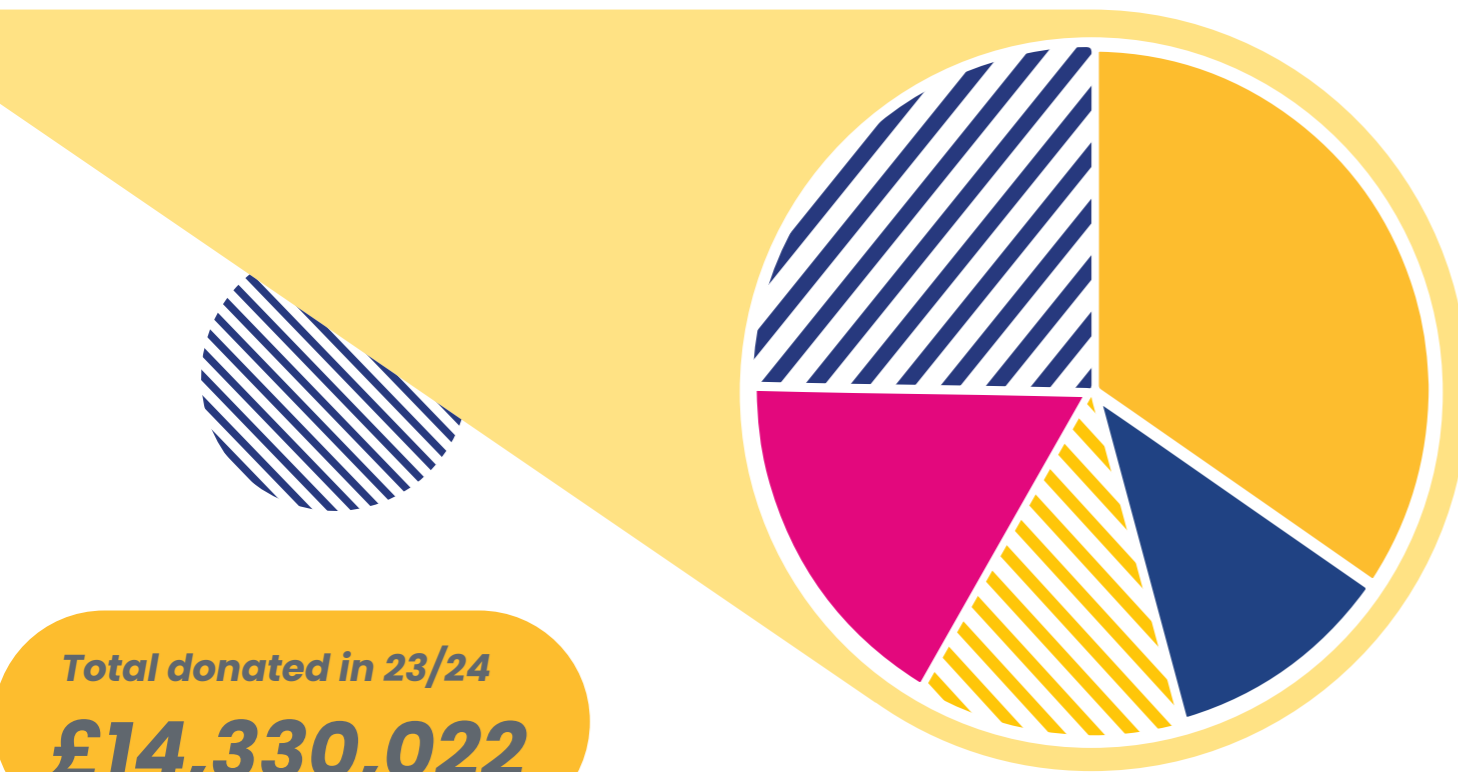
Reinforce our financial stability with effective cost management & income generation

Dougie Mac is committed to reinforcing the financial sustainability of the hospice by wise financial management and astute control of costs and resources.



Income Generation

Thanks to the incredible continued generosity of thousands of local people, we're able to deliver the very best care for the adults, young adults and children we support. 76% of the total income received in 23/24 came from donated income and trading activities.



Total donated in 23/24
£14,330,022

	Fundraising Events	£1,595,926
	Donations & Gifts	£3,236,024
	Legacies	£2,049,551
	Lottery	£1,527,891
	Retail	£5,920,630

A Lasting Legacy

Legacies continue year on year to be a significant income source for the hospice. Over 12% of our gross income came from 103 people who left a gift in their Will in 2023/24.

Over 1,000 people have let us know they have named Dougie Mac as a beneficiary in their Will. Knowing about people's generosity and kindness in advance gives the hospice a chance to say thank you and keep in touch with information and updates about the hospice.

Each year we invite living legators who are known to us to a social 'get together'. In May 2023, "The Real Prime Suspect" Jackie Malton gave our guests an insight into her time serving in the Metropolitan Police in the 70s and 80s. She spoke of her remarkable and unique experiences in her police career, initially in Leicestershire and then London. She was notable for her rise within the ranks of a very male, heterosexual establishment while being a woman detective who was openly gay.

Jackie drew parallels with the importance of the legacy she left behind for the police and community and the lasting legacy our audience are pledging to leave for local people facing terminal illness and children and young adults with life-limiting conditions.



Jackie Malton

Retired Detective Chief Inspector

The inspiration for the fictional character, Jane Tennison, played by Helen Mirren, the central character in the 1990s Police Drama 'Prime Suspect.'

The acquisition of new supporters leaving a gift in their Will is vital to the longevity of the hospice; we thanked a further 100 supporters who pledged to leave a gift in their Will during 2023/24.

Genrous Grants

We received 76 grants from Trusts and Foundations; enabling the hospice to purchase a range of items, including: 5 recliner chairs, 6 syringe pumps, 20 mattresses, hand and foot casting materials for bereaved families to remember their late children as well as funding to host the annual Christmas party for the children and their families. Plus revenue funding for running costs.

76
grants from
Trusts and
Foundations



Super Schools

We have continued to be actively involved in schools fundraising and our aim is to educate and inform future generations about Dougie Mac; focusing on providing informative and inspiring assemblies. In these assemblies we cover areas of the curriculum and set the pupils a small fundraising challenge. This year we have implemented “collection box races” where each class races to fill their collection box with spare change, mainly 2ps and 1ps to see which class can raise the most money for the hospice.

This has been hugely successful and has inspired both parents and teachers alike to take on challenges such as the 3 peaks challenge and skydives for Dougie Mac. We had 2 primary schools pledge to raise over £10k too – both achieving it with the support of their school community.

82 local nurseries, schools and colleges have raised funds this year.

Better Business

Over the past year, we feel incredibly fortunate to have the continued support of the business community with 1,357 businesses digging deep and choosing to support Dougie Mac. Their contributions have come in many forms including corporate volunteering, employee fundraising, generous donations and sponsorships.

This support is essential for the continuation of our fundraising efforts, enabling us to provide vital services to our community. We are profoundly grateful for their commitment and generosity. To honour and celebrate these invaluable partnerships, we host our annual Business Partnership Awards where we recognise and thank our business partners for their outstanding contributions – please see all our winners, commendations and categories on the next page.

This year at our Business Partnership Awards, one of our key focuses was around corporate volunteering. Over the last 12 months, 65 businesses have donated their time including 18 groups who have volunteered with us for the first time! Companies have volunteered in our shops, gardens and spent time leafletting, totting up nearly 3,000 hours in total.

Business Partnership Awards 2023/2024

Bronze – Support between £5k up to £10k

Altecnic Ltd
Brian Mellor Financial Services
The Co-operative Bank
DoubleTree by Hilton
Fine Ceramic Transfers Ltd
Fletcher Moorland Ltd

Glen Dimplex Home Appliances
Heating & Pipework Installations
J A Bloor Agricultural Services
N & J Tree Services Ltd
Neida Products Engineering Ltd
New Look Distribution Centre

Optimum Flooring Services
Plumbing Solutions
Screwfix for Wincanton
St. Modwen Homes
Terraces Menswear
The Craft Room

The Foaming Quart
Tinsdills Solicitors
TMT First Ltd
Unipart JCB

Silver – Support between £10k up to £15k

Amelia Knight
Carmountside Crematorium
Charles River Laboratories
Currie Young

QPS Print
Steelite International
The Barlaston Estate
Wooden Windows

Gold – Support between £15k up to £20k

DPD
Geens Chartered Accountants
Hattons of London

Platinum – Support between £20k up to £50k

Asda Lymedale Distribution Centre
bet365
Brown Recycling Ltd
Denstone Hall Farm Shop & Cafe

Fiskars UK Ltd
Hanley Economic Building Society
Parogon Group

Palladium – Support exceeding £50k

KMF Precision Sheet Metal Ltd
Stairbox
TIP Trailer Services Ltd

Recognition Awards

CORPORATE VOLUNTEERING AWARD

Winner - The Co-operative Bank

Commendations - Vodafone, Amey Highways

WILL WRITING CHAMPION AWARD

Winner - Tinsdills Solicitors

Commendations - Beswicks Legal, Clowes & Co, Lichfield Reynolds

COLLECTION BOX AWARD

Winner - The Card Shop

Commendations - Graham's Chemist

BEST SUPPLIER AWARD

Winner - KDM Events Ltd

Commendations - Heating & Pipework Installations, Kayem Maintenance Services

SUSTAINABILITY AWARD

Winner - Brown Recycling Ltd

EXTRA MILE AWARD

Winner - KMF Precision Sheet Metal Ltd

Commendations - Stairbox Ltd

CHARITY CHAMPION AWARD

Winner - Steve Hammond, Don-Bur (Bodies & Trailers) Ltd

Commendations - Lynn Meigh, The Co-Operative Bank, Laura-Jane Wootton, TMT First Ltd, Janice Furnival, TIP Trailer Services Ltd

BEST BUSINESS PARTNERSHIP AWARD - (SMALL)

Winner - Denstone Hall Farm Shop & Café

Commendations - RSM UK Consulting LLP

BEST BUSINESS PARTNERSHIP AWARD - (LARGE)

Winner - Parogon Group

Commendations - bet365

Milestone Awards

MILESTONE AWARD – EXCEEDING £100,000

Parogon Group, Stoke City Football Club Ltd

MILESTONE AWARD – EXCEEDING £250,000

Tip Trailer Services Ltd



Branching Out: Our TreeCycle Success

One of our business highlights this year was our reinvigorated TreeCycle campaign which would not have been possible without the support of all the businesses involved. Our TreeCycle is an environmentally friendly campaign which allows people who live within the hospice's catchment area to make a donation to the hospice and have their real Christmas tree collected and recycled. Brown Recycling Ltd sponsored the campaign for the 4th time and NJ Trees provided support to chip and recycle the collected trees for the first time this year.

This year, we were able to chip the trees on 3 different sites which reduced the need to transport trees for recycling to one further afield location. All trees were recycled and the chipping used for gardening products and mulch going back into the earth.

3

Days

17

businesses

109

volunteers

56

vans

14

postcode areas

1,677

trees collected

£28,459 raised



Helping Hands: A tribute to Community Spirit

Community fundraising plays a vital role in helping our hospice raise the necessary funds to continue providing essential care and support to those in need. **Community fundraising** refers to the collective efforts of individuals and groups within our community who raise money for the hospice. This can include activities such as bake sales, charity runs, local events and personal initiatives taken on by dedicated supporters like Ray Mobberley and Peter Alcock.

When Ray Mobberley's wife of 39 years, Kathleen, passed away on 17th June 2020, Ray was determined to do something positive in her memory. Dougie Mac had supported Kathleen with pain management and medication for her lung cancer and she'd regularly spent time at the hospice as a day patient. Sadly Kathleen passed away from Covid during the pandemic, which was worsened by her lung condition.

Ray explained, "About a year after Kathleen died I needed something to give me a focus and I wanted to raise money for Dougie Mac in her memory. I started doing odd jobs for people I knew, just small plumbing and electrical jobs, and sometimes a bit of gardening, but instead of getting paid, I asked my customers to give me a donation for Dougie Mac."

"Through word of mouth I started to get more and more requests for help, so my nephew Peter began to help me out. He's a qualified mechanical and electrical engineer and plumber by trade, so together we could take on bigger jobs. Now we're busy every single day, it's like a full time job but it keeps us both busy and has really helped our mental health."

"We get great pleasure in helping people in their hour of need and sorting their problems out."

Every penny donated by their loyal customers is recorded by Ray and included in a monthly newsletter he produces and circulates to thank them for their support and to let them know how much has been raised for Dougie Mac in Kathleen's memory.



"Our customers have become like friends, we get to know everyone and they know they can rely on us to help them with whatever they need. Quite a few of our customers live on their own, so we're good company for them and they ask us back for lots of different jobs."

"We do not receive anything for our time and any money received is all donated to Dougie Mac, but we hope and pray we're making a difference to those who need their service and that our customers appreciate our help."

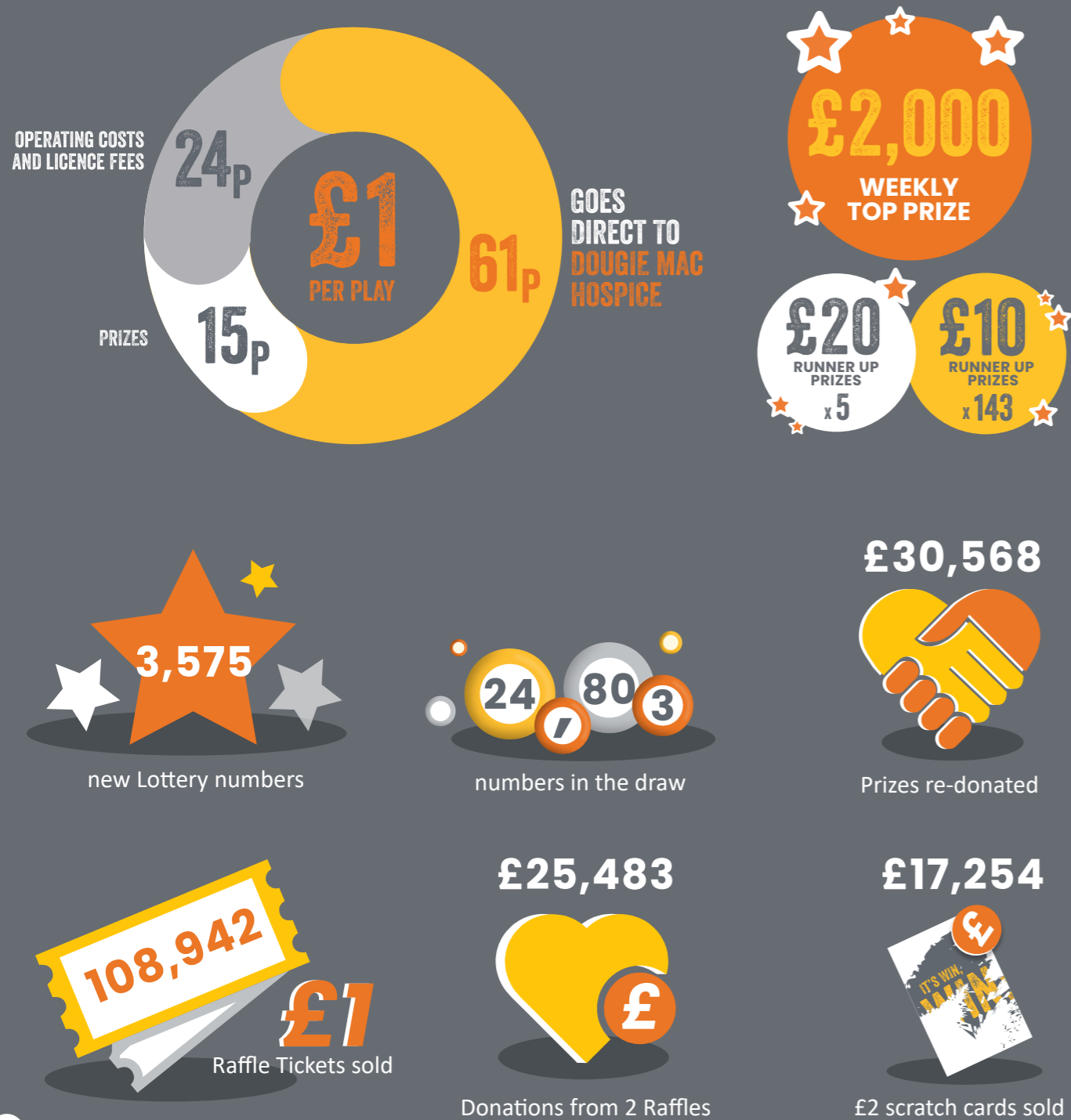
**Over the last three years,
Ray and Peter have raised
over £60,000**

Local Lottery: It's Win Win!

Dougie Mac Lottery activities have been an integral part of the hospice's income requirements for over 28 years. We strengthened our sales team in the summer of 2023 and having a bigger team working face to face in the community and on the phone has meant we have met and spoken to more local people raising awareness of the hospice championing the great and growing services we have to offer, dispelling myths and encouraging support for the hospice; in any way possible.

83% of our Lottery income comes from the Lottery numbers that are entered into the draw each Friday so there is always a focus on securing new members and new numbers for the draw which helps ensure we can still grow our membership even with any cancellations we may get. This year we secured 3,575 new numbers with 85% of these coming from proactive canvassing and telephone campaigns.

We are truly grateful for the commitment of our Lottery players who provide a regular source of income for the hospice, week in, week out.



I got the phone call to say that I'd won and I was speechless, but it's not about the winning for me, I support Dougie Mac regularly in memory of my Mum and Dad who were both cared for by the hospice.



A Dougie Mac Shop is never too far away...

Dougie Mac charity shops continue to be at the heart of our local communities – the public face of the hospice on high streets and in surrounding villages across Stoke-on-Trent and North Staffordshire. People who shop, donate and volunteer in our shops have shaped our retail operation to be what it is today and we couldn't be more grateful.

Extending existing shops and making the most of new opportunities is key to growing the much needed income our shops help to raise for our specialist care and support. In April 2023 we were pleased to extend our Westlands shop and we opened our second shop in Cheadle on 7th September 2023.



I love volunteering at the Dougie Mac shop they make me feel like I'm part of a great team and they are helping me to build confidence whilst I volunteer too.

I feel much better in myself when I have been working hard with the team at the shop. It make me feel happy to be useful.

The shop where I volunteer are like another family to me we help each other out if we can I wouldn't volunteer anywhere else.

Volunteering at the shop has helped improve my social skills as well as helping with my anxiety.



We cherish the opportunity to celebrate our shop birthdays. These special occasions allow us to express our gratitude to our dedicated staff, volunteers and loyal customers. To make the celebrations even more memorable, we always have a special birthday offer in store too.



Dougie Mac Shops in Numbers



Profitability



years of shop trading
celebrated



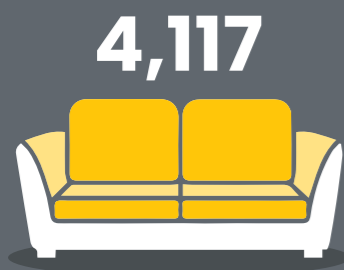
Hours Volunteered



People volunteer



Till transactions



Furniture Items Collected



Gift Aid really is a Gift

Gift Aid is an important source of income for the hospice. Thanks to HMRC's tax concession for charitable giving, we can increase donations from tax paying supporters by 25% - at no extra cost to them.

Simply by obtaining a Gift Aid Declaration, we can reclaim 25p from every £1 given from HMRC. Gift Aid is also reclaimable from the sale of donated items in our charity shops too.

Obtaining a valid Gift Aid Declaration, regarding tax paying status from donors is the key to maximising this opportunity - but this is easier said than done. In June 2023, we reinvigorated all aspects of our Gift Aid activities and processes with one singular objective to improve the collection of Gift Aid Declarations from donors, which would subsequently increase the amount of money raised from Gift Aid.



26%

increase in Gift
Aid income
year on year.

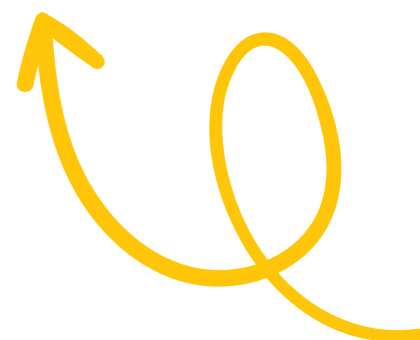


23%

more of our supporters
made a Gift Aid
Declaration in 2023/24
than the previous year.

Thanks to our efforts of reviewing how we promoted and talked to our supporters about Gift Aid we claimed a record-breaking **£550,844** of Gift Aid from HMRC.

giftaid it



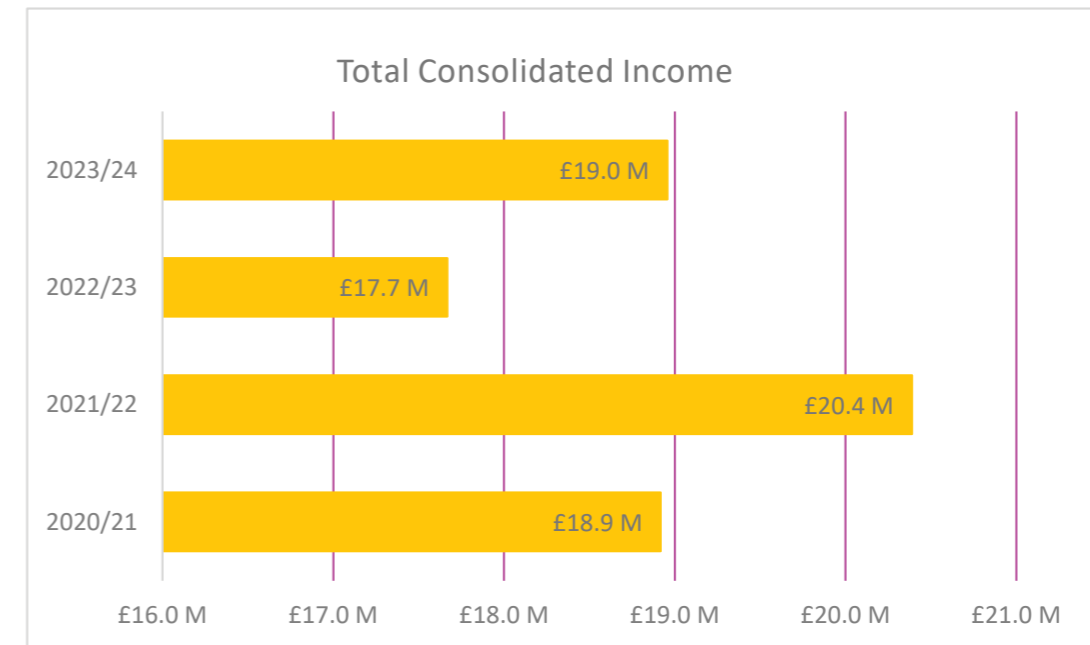


Financial Review

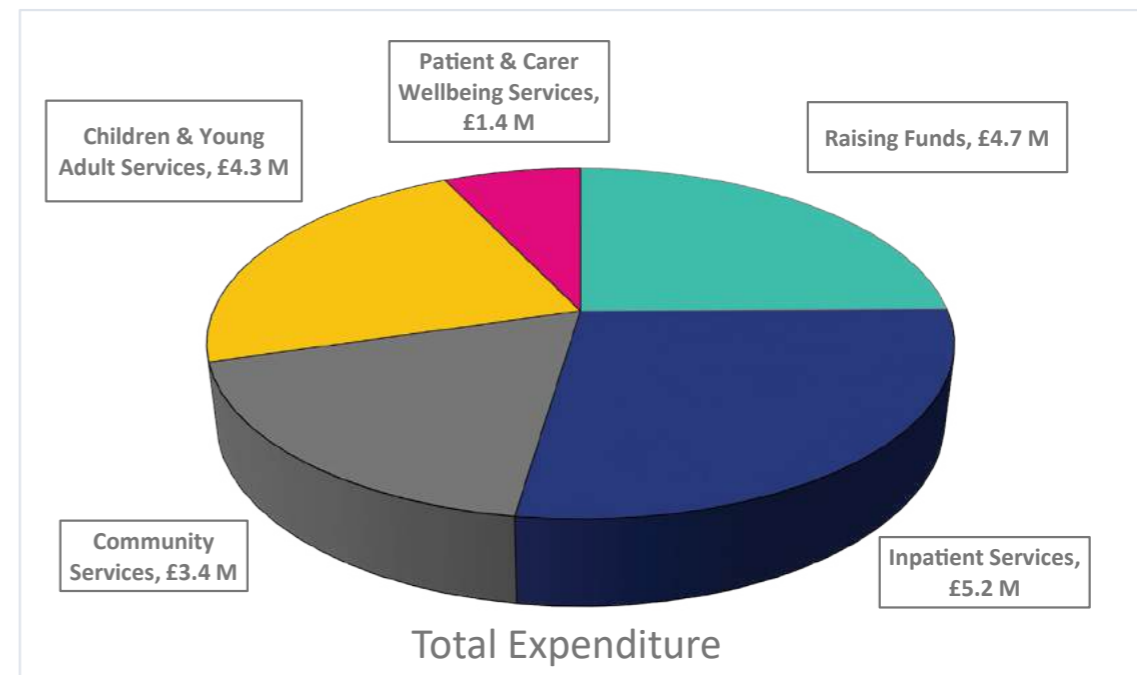
Financial Review

The UK hospice sector is currently navigating some of its most challenging times. With statutory income remaining static and an unprecedented backdrop of rising costs, many hospices are facing significant financial pressures. As a UK wide deficit of £77 million for 2023-24 is predicted for the sector, Dougie Mac is proud to report a surplus of £0.828 million (after a gain on investments of £0.906 million).

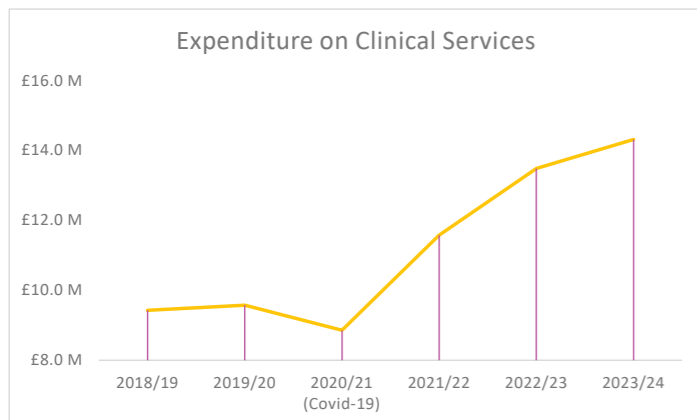
Total income for the year rose by 7% from £17.7 million to nearly £19.0 million, with the increase being largely attributable to the strong performance of our Retail business.



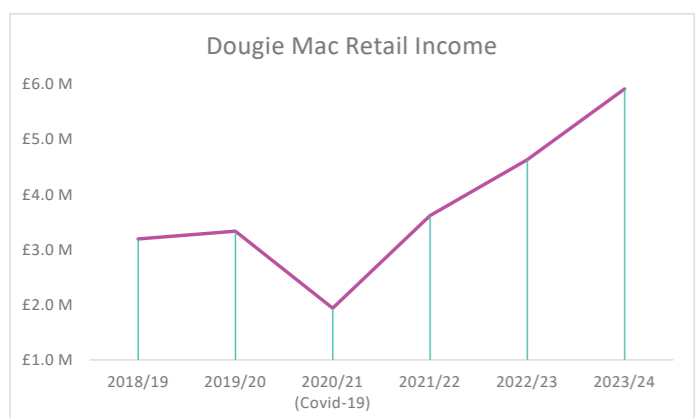
Expenditure also rose, with the cost of raising funds increasing by 17% and expenditure on clinical services climbing 6%. As we contend with the evolving economic landscape, it's important to acknowledge that some expenditure increases i.e. government-initiated uplifts, energy costs, groceries etc. will always be beyond our control. It is therefore our responsibility to find a means of re-balancing elsewhere, primarily by growing our donated income.



Our ability to achieve these results in such a challenging environment highlights the effectiveness of our financial management strategies and our commitment to operating a sustainable charity. Yet again, we remain a financially robust organisation with a good diversification of income streams and a commitment to good purchasing practices that enhance a value-for-money ethos.



Dougie Mac shops continue to be a North Staffordshire shopping destination of choice as people look to bag themselves a bargain. Over the past few years, our shops have shown astonishing resilience; riding the storm of COVID-19 and the cost-of-living crisis alongside managing the day-to-day challenges like charity retail competition, volunteer shortages and, believe it or not, inclement weather conditions.



Dougie Mac Retail saw incredibly strong sales in 2022/23, and this was always going to be difficult to replicate in 2023/24. This being said, it is astonishing to report that our resilient chain of charity shops has achieved impressive sales growth of 28%. Despite the challenges they have faced; like-for-like in-store income grew by 19% whilst online sales of donated clothing rose by 46.7% from 2022/23.

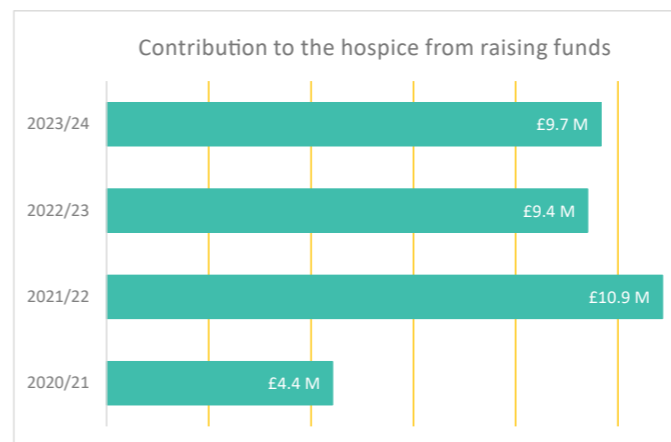
Of the 1.65 million items sold in our charity shops last year Bric-a-Brac and ladies wear remained the most popular income stream accounting for 54% of the total income generated from donated goods sales. With the average price of an item sold being £3.06, the average transaction value equated to £8.11. Over 4,000 items of furniture were collected from our community to be sold in our bigger stores and 850,000 kilos of products were kept out of landfill.

Of course, it's imperative that Dougie Mac Retail works to keep up with customer demand therefore recruiting and retaining volunteers and staff will be more important than ever. As a well-established and efficiently run operation, we will continue to diversify and innovate, to meet the changing needs of our shoppers. Charity retail is perfectly positioned to appeal to sustainable shoppers as more people look to make environmentally friendly choices. Charity shops remain incredibly important as customers look for affordable shopping choices to continue to combat the effects of the cost-of-living crisis. So, with plans afoot to not only continue to grow our in-store offering but to also expand our online platform, 2024/25 promises to extend our successful track record.

Lottery proceeds continue to be a dependable and steadily growing source of revenue for the hospice as 2023/24 sees income increase by 2%. Participation in the weekly lottery draw continued to rise during the year; reflecting an ongoing growth in engagement and support from our local community. During the year, two successful raffle campaigns collectively raised over £108,000 and were a significant boost to our fundraising efforts. The continued success of our lottery is thanks to the hard work and enthusiasm of our in-house team who continue to excel in recruiting new members; their dedication is the cornerstone of Lotteries achievements.

Thank you to everyone who participated and supported our hospice lottery in 2023/24. Your contributions make a significant difference in the lives of those we care for. Here's to another successful year ahead!

The income generation teams at our hospice play a crucial role in ensuring we can continue to provide exceptional care and support to our patients and their families.



Each year, their efforts and dedication result in an increase in net contribution, allowing us to expand our services and reach even more people in need of

our care. From organising fundraising events to managing our charity shops, their innovative approaches and tireless work make a significant impact. Not only do their contributions sustain our operations but also enhance the quality of life for those we look after, embodying the care values of our organisation. We are incredibly grateful for their unwavering commitment and the positive difference they make year after year.

Dougie Mac's investment portfolio experienced a total return (income generated plus capital appreciation) of 12.3% to 31st March 2024, net of all fees and charges. Inflation trending back towards target levels, resilient economic performance and the promise of interest rate cuts have all added to a positive backdrop for investment markets. The investment portfolio outperformed its associated benchmark, ARC Steady Growth ACI, by 2.9% over the period with total income increasing by 15.8% to £191k for the year.

Defined benefit pension scheme

The actuarial loss in the pension fund is £164,000 and is shown in the Statement of Financial Activities, the defined benefit pension scheme liability stated in the balance sheet is £nil (2023 – £nil). This is the value recommended by the scheme actuary in the pension valuation report. Movements in the pension schemes assets and liabilities and its impact on the hospice's financial position is monitored closely by the Hospice Trustees and by the Trustees of the Federated Pension Scheme for Douglas Macmillan Hospice.



“ The Financial Statements report a highly successful year, with remarkably robust income generation and capital reserves. ”

Trustees Report –
for the year ended
31st March 2024

S.P. Evans

Susan Evans
Chairman of Board of Trustees



Trustees Report – for the year ended 31st March 2024

I was delighted to be appointed Chair of the Board of Trustees of Douglas Macmillan Hospice in November 2023. After my first year in the role, it is a pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 March 2024, on behalf of the Board of Trustees, who individually are also Directors of the charity for the purposes of the Companies Act 2006.

The Financial Statements report a highly successful year with remarkably robust income generation and capital reserves. Our sound finances have enabled Dougie Mac to continue to strengthen palliative and community care services invest in complementary healthcare services and significantly increase palliative and respite care for children and young adults who have a range of complex life-limiting conditions.

Our compassionate service of palliative and end of life care for individual patients and their families has earned Dougie Mac loyalty and a reputation that we never take for granted. Local people are incredibly generous, donating 80% of our total income, as individual donors, or as local businesses and corporate supporters. Many volunteers generously give their time to help run our retail shops or provide help within hospice premises. We express our thanks to everyone in the community who supports the hospice in any way they can.



Dougie Mac plays a critical role in the wider context of healthcare needs in North Staffordshire and we are very aware of some of the challenges faced by the NHS, nationally and locally, and its potential effect on hospice services and on patients. However, as an independent hospice, our Strategic Plan 2023-26 defines strategic objectives to invest in, and

sustain future hospice care services, and states our intention to invest in other specialist care such as Wellbeing and dementia, for those diagnosed and living with life changing and life-limiting conditions.

The following examples demonstrate our achievements. The innovative Wellbeing programme established in 2022 is a real success, welcomed and fully taken up by the community. Led by a team of 22 professional staff, it offers a range of support and therapy groups including cancer, Lymphoedema, Parkinson's, Motor Neurone Disease and bereavement support networks.



Our longstanding and beneficial alliance with Approach Dementia Services was formalised by a merger on 1 April 2024, with 21 Approach staff joining the Dougie Mac team to continue their incredibly valuable work in dementia care. This dedicated investment in dementia care directly supports the needs of local people in this growing and devastating health condition.



We have invested in infrastructure, estate, and retail shops. Examples include; a kitchen refurbishment in the Children's Services, optimising sales in our retail shops by shop expansion, attractive branding and vibrant retail presentation. A planned significant investment in a new hospice IT system has been smoothly implemented and further development of a hospice led collaboration for a 24/7 Advice Line and out of hours Rapid Response service is progressing.



We continue to recruit staff in a national environment where recruitment is often a challenge. Strategies to attract, develop and retain employees are a high priority. We welcome external feedback and are delighted to be accredited by Investors in Excellence and Best Companies 3 Star World Class status.

It is our employees who drive the success of Dougie Mac, through their individual commitment to quality, excellence and professionalism.



On behalf of the Board of Trustees, I wish to thank employees and volunteers for their amazing contribution and thank the Executive team for their consistently successful leadership of the hospice.

S.P. Evans

Susan Evans
Chairman of Board of Trustees



Running our organisation well



Running our organisation well

Board of Trustees

The Board of Trustees is the governing body that administers the charity, sets the strategy, formulates policy and assesses procedures and risk management. The Board meets regularly and the trustees are directors of the company but none of the trustees has a beneficial interest in the company and all are unpaid volunteers.

Trustee Recruitment, Appointment and Induction

The existing trustees of Douglas Macmillan Hospice are empowered under the Articles of Association to elect new trustees at our Annual General Meeting and to make co-options at any other time. Succession planning for trustees is an important dimension of governance as is a blend of skills in the Board of Trustees, so new trustees are recruited in a variety of ways including external advertising and previous interest in and involvement with the Hospice. Additionally potential new trustees are invited to attend Board meetings as an observer to assist them on deciding whether to agree to a nomination as a trustee. New trustees receive a full induction programme over an extended period, including briefings with senior executives and visits to the various parts of the organisation to gain an appreciation of the mosaic of aspects which contribute to the success of Douglas Macmillan Hospice.

Subcommittees of the Board of Trustees

To assist in the smooth running of the charity the Board is supported by eight subcommittees each of which meets at appropriately regular intervals and are chaired by a member of the Board. These subcommittees are:

- Investments, Finance & Internal Audit (IFIA)
- People & Values (P&V)
- Clinical Governance (CG)
- Research
- DMH Staffordshire Enterprises Ltd Board (DMHSEL)
- DMH Staffordshire Lotteries Ltd Board (DMHSL)
- Information Governance (IG)
- Safeguarding

The trustees on each subcommittee have relevant interests and skills to ensure that they enhance the work of that committee.

A scheme of delegation is in place so that day to day responsibility for the affairs of the charity, including all operational matters, rests with the Chief Executive Officer and the Executive team, which currently comprises:

Chief Executive Officer
David Webster

Director of Income Generation
Karen McKenzie

Medical Director
Emer Cunningham McKenna

Director of Care
Jannette McCartney

Director of HR and Support Services
Cris Hammond

Director of Finance
Vicki Dean

Both DMHSEL and DMHSL develop commercial activities to support the charity and each covenants its surplus to the charity, and results are included within the Consolidated Financial Statements.

Risk Management

Governance of Douglas Macmillan Hospice is underpinned by a transparent culture of risk evaluation and risk management, enabling the Board of Trustees to consider all risks, both stated and emerging, and fulfil their responsibility for risks faced by the charity. A risk register identifies the potential and actual risks, their nature, likelihood and impact and then outlines the measures taken to mitigate those risks. Trustees review the risk register formally at Board meetings as well as assessing and updating it at appropriate subcommittees. The main risks that the charity faces are:

a) Financial Sustainability

This is mitigated by our robust fundraising strategy; built over many years of successful expansions of donated income, and by cultivating excellent relationships with statutory funding partners in the local health economy.

b) Reputation

The hospice is held in high regard by local people and stakeholder partners and has been so for 50 years but protecting and polishing our reputation requires mitigating actions, notably in ensuring that all our systems, processes and support lead to the successful recruitment, retention and development of outstanding people.

c) Recruitment

A nationwide difficulty in recruiting registered nurses with the potential to hamper expansion plans. Recruitment initiatives, timely succession planning alongside well considered training and development plans will enable us to nurture our own talent. A strong people culture that focuses on our CARE values along with competitive pay, an attractive working environment and a person-centered wellbeing programme will assist in retaining the calibre of staff required to deliver our strategic objectives.

d) Governance

Shortcomings in our evidencing of high standards of internal governance and robust evidence-based decision making could damage the reputation of the hospice and potentially diminish the support of our local community. To mitigate this risk, we are governed by a high performing Board of Trustees and Directors committed to extending the 50-year record of success at DMH. A well-constructed infrastructure of subcommittees and subsidiary boards, fully aligned to the hospice strategy, also protects the charity.

Reserves Policy

Reserves are held to ensure that the charity has the ability to withstand any unforeseen drops in income, and to provide capital for future strategic growth, recognising that access to external capital is very limited. The Board of Trustees is satisfied that the current level of reserves provides an adequate buffer against risks that cannot be negated by other means, whilst underpinning the strategic plan for the future of the hospice.

Fundraising standards information

We strive to ensure our practices when generating non-statutory income are of the highest standard; we must be legal and comply with regulatory bodies and we commit to being open, honest, respectful and accountable. Our reputation and maintaining public trust is essential.

Our trading companies operating Lotteries and Charity Shops and all other Fundraising activities must comply with relevant regulations and laws and we are registered and/or licensed* to undertake activities by:

1. being licensed* to operate gambling activities by The Gambling Commission
2. being registered with The Fundraising Regulator
3. recognising The Trading Standards Authority



**Our license for Gambling activities is held by Mrs K McKenzie (Director of Income Generation)*

Some aspects of our fundraising activities are self-regulatory, and we commit to maintaining the same high standards in all practices by:

- Employing suitably qualified and experienced fundraising staff or training staff to be suitable equipped to meet the high-performance levels we require
- Treating the information that supporters provide us with in line with our Privacy Policy
- Never selling or sharing supporters' personal information to a third party in line with our Data Collection Statement
- Maintaining clear governance and management controls for the legal sale and transparent raising of funds from a diverse range of sources in line with our Donations Policy
- Having clear rules for when donations are returned to donors in accord with our Donations Policy
- Reporting to Boards and subcommittees on income generation activities, issues and compliance matters.

Reference and Administrative Information

For the year ended 31st March 2024

Douglas Macmillan Hospice is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Charity Name

Douglas Macmillan Hospice

Company Number

3615904

Charity Number

1071613

Registered Office

Barlston Road, Stoke-on-Trent, ST3 3NZ

Auditors

Geens Limited

Chartered Accountants

68 Liverpool Road , Stoke-on-Trent , ST4 1BG

Solicitors

Tinsdills Limited

Hays House, 25 Albion Street, Hanley,
Stoke-on-Trent, ST1 1QF

Officers

The current Trustees (Directors) and those who held office during the financial year to 31st March 2024 are listed below:

Mr D Platt (Chair) (Resigned 16 November 23)
Mrs S Evans (Chair) (Appointed 16 November 23)
Mrs M Rathbone (Vice Chair Appointed 16 November 23)
Mr K Brown
Mrs K McKenzie
Mrs J Miller
Dr J Sissons

Company Secretary & Chief Executive Officer

Mr D Webster

Director of Care

Mrs J McCartney

Director of HR & Support Services

Mrs C Hammond

Director of Income Generation

Mrs K McKenzie

Director of Finance

Mrs V Dean

Medical Director

Mrs E Cunningham McKenna

Trustees Responsibilities in Relation to Financial Statements

The charity's trustees, who are also the directors of Douglas Macmillan Hospice for the purposes of company law, are responsible for preparing a trustee's annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK generally accepted accounting practice).

Company law requires our trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and applications of resources, including the income and expenditure of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material expenditures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group, and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from that in other jurisdictions.

In so far as the trustees are aware, at the time of approving our trustees' report there is no relevant audit information of which our auditor is unaware, and trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information. It is customary to place a resolution at our AGM proposing the appointment of Geens Ltd as our auditors and trustees will do so in the knowledge stated above.

Approved by the trustees on 23rd September 2024 and signed on their behalf by:



Susan Evans

Chairman of Board of Trustees

Independent Auditor's Report and Financial Statements

For the year ended 31st March 2024



DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Douglas Macmillan Hospice and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 68, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- we obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- we considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities, including fraud, during the course of the audit included:

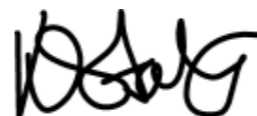
- identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- assessing the extent of compliance, or lack of, with relevant laws and regulations.
- assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- obtaining third party confirmation of material bank balances.
- documenting and verifying all significant related party balances and transactions.
- reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable member's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Karen Staley FCA (Senior Statutory Auditor)
for and on behalf of Geens Limited**

Chartered Accountants

Statutory Auditor

23rd September 2024

Graphic House
124 City Road
Stoke on Trent
Staffordshire
ST4 2PH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £	Total funds £
					2024	2023
Income:						
Donations and legacies	2	2,011,055	3,307,430	20,777	5,339,262	5,636,673
Charitable activities	3	3,814,329	-	-	3,814,329	3,954,376
Other trading activities	4	9,044,447	-	-	9,044,447	7,808,926
Investment income	5	517,849	-	-	517,849	263,346
Other	6	211,385	-	29,117	240,502	4,763
Total income		15,599,065	3,307,430	49,894	18,956,389	17,668,084
Expenditure						
Costs of raising funds	7	4,718,189	-	-	4,718,189	4,038,271
Charitable activities	8	13,094,060	1,221,507	507	14,316,074	13,485,386
Total expenditure		17,812,249	1,221,507	507	19,034,263	17,523,657
Net gains/ (loss) on investments	17	905,538	-	-	905,538	(436,546)
Net income / (expenditure)		(1,307,646)	2,085,923	49,387	827,664	(292,119)
Transfers between funds	25/26	1,721,477	(1,721,477)	-	-	-
Other recognised gains and (losses)						
Actuarial gain/ (loss) on defined benefit pension schemes	21	(164,000)	-	-	(164,000)	528,000
Net movement in funds		249,831	364,446	49,387	663,664	235,881
Reconciliation of funds:						
Fund balances brought forward		9,665,156	18,320,115	98,418	28,083,689	27,847,808
Fund balances carried forward		9,914,987	18,684,561	147,805	28,747,353	28,083,689

All of the above results were derived from continuing operations. All gains and losses recognised in the year are included above.

The notes on pages 76 to 92 form an integral part of these financial statements

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
Fixed assets					
Tangible assets	16	8,929,101	9,000,864	8,929,101	9,000,864
Investments	17	9,558,585	8,699,788	9,558,589	8,699,792
		18,487,686	17,700,652	18,487,690	17,700,656
Current assets					
Stocks	18	10,272	9,034	-	-
Debtors	19	1,749,967	1,980,676	1,924,912	1,980,435
Cash at bank and in hand		10,943,358	9,664,979	10,412,471	9,492,769
		12,703,597	11,654,689	12,337,383	11,473,204
Creditors: amounts falling due within one year	20	(2,443,930)	(1,271,652)	(2,127,975)	(1,131,266)
Net current assets		10,259,667	10,383,037	10,209,408	10,341,938
Total assets less current liabilities being net assets excluding pension liability		28,747,353	28,083,689	28,697,098	28,042,594
Defined benefit pension scheme liability	21	-	-	-	-
Net assets including pension liability		28,747,353	28,083,689	28,697,098	28,042,594
Funds					
Income funds					
Restricted funds	25	147,805	98,418	147,805	98,418
Unrestricted funds:					
Designated funds	26	18,684,561	18,320,115	18,684,561	18,320,115
Other charitable funds		9,914,987	9,665,156	9,864,732	9,624,061
Total funds excluding pension reserve		28,747,353	28,083,689	28,697,098	28,042,594
Pension reserve	21	-	-	-	-
Total funds		28,747,353	28,083,689	28,697,098	28,042,594

The trustees acknowledge their responsibilities for complying with the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved by the Board on 23rd September 2024 and agreed on their behalf by:

S.P. Evans

Mrs S Evans - Chair

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
Net cash provided by operating activities	28	1,524,251	1,969,259	1,165,574	2,674,073
Cash flows from investing activities:					
Dividends, interest and rents from investments		517,849	263,346	517,849	263,346
Purchase of property, plant and equipment		(772,480)	(606,765)	(772,480)	(606,765)
Proceeds from sale of property, plant and equipment		-	-	-	-
Proceeds on sale of investments		3,287,228	4,882,731	3,287,228	4,882,731
Purchase of investments		(3,278,469)	(5,042,722)	(3,278,469)	(5,042,722)
Net cash used in investing activities		(245,872)	(503,410)	(245,872)	(503,410)
Change in cash and cash equivalents in the reporting period		1,278,379	1,465,849	919,702	2,170,663
Cash and cash equivalents at the beginning of the reporting period		9,664,979	8,199,130	9,492,769	7,322,106
Cash and cash equivalents at the end of the reporting period		10,943,358	9,664,979	10,412,471	9,492,769

The notes on pages 76 to 92 form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1a) Basis of preparation

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Charities Act 2011 and the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

These group financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings for the year ended 31 March 2024 on a line by line basis. The trading results of the subsidiary undertakings are shown in note 13.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1b) Fund accounting

Unrestricted funds are available for use, at the discretion of the trustees, in furtherance of the general objectives of the charity and which have not been designated for other purposes:

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes.

1c) Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised in full when receivable and are included at fair value.

1 Accounting policies (continued)

1c) Income recognition (Continued)

Legacies are recognised when both entitlement to receive the income has been established and when it is probable that the income will be received. Receipt is assessed to be probable when there has been grant of probate, and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy. Legacies are measured at the fair value of income receivable based on available information.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

1d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the expenditure incurred related to fundraising activities and the costs relating to the trading subsidiaries;
- Expenditure on charitable activities includes the expenditure incurred relating to Inpatient Services, Medical, Community, Hospice at Home, Wellbeing, Learning and Development and Children and Young Adult Hospice Services; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include finance costs, governance costs, information technology costs, HR and reception costs, facilities and health and safety costs, non-attributable depreciation, and general overheads including the defined benefit pension scheme cost. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on an apportioned basis related to the expenditure as a percentage of total expenditure.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 9.

1f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

1 Accounting policies (continued)

1f) Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	3% p.a. straight line
Retail leased buildings works	20% p.a. straight line
Fixtures, fittings & equipment	25% p.a. straight line and reducing balance
Motor vehicles	25% p.a. reducing balance

1g) Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be reliably measured in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains/(losses) on investments' in the consolidated Statement of Financial Activities. Investments in subsidiaries are valued at cost less provision for impairment.

1h) Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in section 1c) above.

1i) Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Financial assets

Basic financial assets, which include debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including short term highly liquid investments are initially measured at fair value, with subsequent changes in fair value recognised in the Statement of Financial Activities. These include cash on deposit and cash equivalents with a maturity of less than one year.

Financial assets measured at amortised cost are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ii) Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

1i) Financial Instruments (continued)

Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1k) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1l) Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also operates a defined benefit scheme which is closed to new members. The contributions made to the scheme are as recommended by the scheme trustees and the independent actuary. The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

1m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1n) Going concern

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval. The trustees and executive team are constantly monitoring the position of the charity and at the balance sheet date the charity has healthy reserves and healthy cash balances. Under all scenarios reviewed, the Hospice has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

1o) Critical accounting judgements and key sources of estimation uncertainty

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

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

In preparing these financial statements, the trustees have made judgements in determining the:

- value of accrued legacy income. The value depends on decisions regarding entitlement to the gift, probability of receipt and ability to value it with sufficient accuracy;
- impairment of tangible fixed assets. Factors taken in to consideration in reaching the decision include the availability of resources to continue service delivery at previous levels;
- useful economic life of tangible fixed assets. The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on future investments, economic utilisation and physical condition of the assets.
- application of going concern. The main judgement is the assessment of the group's cash and investment reserves and whether they were considered sufficient to meet operational commitments for the foreseeable future; and
- value of the pension obligation. The value depends on a number of factors, determined on an actuarial basis, using a number of estimated assumptions. The assumptions used in determining the valuation of the pension scheme obligation include the discount rate, the Retail Prices Index (RPI) rate and the mortality rates. The discount rate is determined by considering the market yields on high quality corporate bonds, at the reporting date. Other assumptions are based on current market conditions. Additional information and relevant sensitivities are disclosed in note 21.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2	Donations and legacies	Unrestricted	Designated	Restricted	Total	Total
		funds	funds	funds	2024	2023
		£	£	£	£	£
	Donations and gifts	1,957,367	1,275,000	3,656	3,236,023	3,310,253
	Legacies	-	2,032,430	17,121	2,049,551	2,272,732
	Department of Health	53,688	-	-	53,688	53,688
		<u>2,011,055</u>	<u>3,307,430</u>	<u>20,777</u>	<u>5,339,262</u>	<u>5,636,673</u>

For the year ended 31 March 2023

Unrestricted funds	1,664,268
Designated funds	3,964,732
Restricted funds	7,673
	<u>5,636,673</u>

3 Income from charitable activities

	Unrestricted	Designated	Restricted	Total	Total
	funds	funds	funds	2024	2023
	£	£	£	£	£
Charitable activities	<u>3,814,329</u>	-	-	<u>3,814,329</u>	<u>3,954,376</u>

For the year ended 31 March 2023

Unrestricted funds	3,954,376
Designated funds	-
Restricted funds	-
	<u>3,954,376</u>

Included within income relating to charitable activities are:

Integrated Care Board (Annual Grant)	2,855,670	2,890,199
	<u>2,855,670</u>	<u>2,890,199</u>

4 Income from other trading activities

	Unrestricted	Designated	Restricted	Total	Total
	funds	funds	funds	2024	2023
	£	£	£	£	£
Fundraising events	1,595,926	-	-	1,595,926	1,680,074
Income from commercial activities:					
- Charity shops	5,920,630	-	-	5,920,630	4,633,073
- Lottery	1,527,891	-	-	1,527,891	1,495,779
	<u>9,044,447</u>	-	-	<u>9,044,447</u>	<u>7,808,926</u>

For the year ended 31 March 2023

Unrestricted funds	7,808,926
Designated funds	-
Restricted funds	-
	<u>7,808,926</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5	Investment income	Unrestricted	Designated	Restricted	2024	2023
		funds	funds	funds	£	£
		£	£	£	£	£
	Income from listed investments	192,353	-	-	192,353	140,588
	Interest receivable	325,496	-	-	325,496	122,758
		<u>517,849</u>	-	-	<u>517,849</u>	<u>263,346</u>

For the year ended 31 March 2023

Unrestricted funds	263,346
Designated funds	-
Restricted funds	-
	<u>263,346</u>

6	Other	Unrestricted	Designated	Restricted	2024	2023
		funds	funds	funds	£	£
		£	£	£	£	£
	Transfer of assets from The Donna Louise Trust	-	-	-	-	4,763
	Transfer of assets from Approach	211,385	-	29,117	240,502	-
		<u>211,385</u>	-	<u>29,117</u>	<u>240,502</u>	<u>4,763</u>

On 31 March 2024 the services of Approach Supporting Your Life Your Way, a charity, were integrated in to the Douglas Macmillan Hospice. In connection with the integration of services assets with a value of £240,502 were transferred from Approach to Douglas Macmillan Hospice.

7 Analysis of costs of raising funds

	Unrestricted	Designated	Restricted	2024	2023
	funds	funds	funds	£	£
	£	£	£	£	£
Fundraising Costs	650,608	-	-	650,608	562,172
Costs of commercial activities:					
- Charity shops	3,463,663	-	-	3,463,663	2,942,955
- Lottery	603,918	-	-	603,918	533,144
	<u>4,718,189</u>	-	-	<u>4,718,189</u>	<u>4,038,271</u>

For the year ended 31 March 2023

Unrestricted funds	4,038,271
Designated funds	-
Restricted funds	-
	<u>4,038,271</u>

8 Analysis of expenditure on charitable activities

	Direct costs	Support costs	Total	Total
	£	£	£	£
Inpatient Services	2,551,239	1,221,890	3,773,129	4,048,805
Medical	595,395	1,291,995	1,887,390	847,044
Community and Hospice at Home	2,610,547	298,953	2,909,500	3,355,874
Wellbeing	870,400	426,602	1,297,002	1,091,419
Learning and Development	158,864	60,365	219,229	225,720
Children and Young Adult Hospice	2,825,486	1,404,338	4,229,824	3,916,524
	<u>9,611,931</u>	<u>4,704,143</u>	<u>14,316,074</u>	<u>13,485,386</u>

Unrestricted funds	13,094,060	12,219,671
Designated funds	1,221,507	512,830
Restricted funds	507	-
	<u>14,316,074</u>	<u>12,732,501</u>

12	Financial activities of the charity	2024	2023
		£	£
	Gross income	18,318,197	17,092,292
	Total expenditure on charitable activities	(13,851,042)	(13,100,023)
	Fundraising costs	(4,718,189)	(4,038,271)
	Unrealised gains/ (losses) on investment assets	905,538	(436,546)
	Net income/ (expenditure)	654,504	(482,548)
	Total funds brought forward excluding pension reserve	28,042,594	28,525,142
	Total funds carried forward excluding pension reserve	28,697,098	28,042,594
	Represented by:		
	Unrestricted income funds	9,864,732	9,624,061
	Designated income funds	18,684,561	18,320,115
	Restricted income funds	147,805	98,418
		28,697,098	28,042,594

13 Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equity share capital:-

Name of subsidiary	Country of incorporation	% of equity share capital held
Douglas Macmillan Hospice Staffordshire Enterprises Limited	England & Wales	100
Douglas Macmillan Hospice Staffordshire Lotteries Limited	England & Wales	100

Douglas Macmillan Hospice Staffordshire Enterprises Limited

Summary of trading results	2024	2023
	£	£
Turnover	75,369	72,314
Total expenditure	(25,114)	(31,219)
Profit for the year	50,255	41,095

The turnover from this entity is consolidated within total charity shop income reported in note 4 of these accounts. All profits in this subsidiary are distributed to Douglas Macmillan Hospice after the year end.

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Enterprises Limited were:

Assets	59,292	54,841
Liabilities	(8,119)	(13,744)
Funds	51,173	41,097

Douglas Macmillan Hospice Staffordshire Lotteries Limited

Summary of trading results	2024	2023
	£	£
Turnover	1,527,891	1,495,779
Total expenditure	(603,918)	(533,144)
Profit for the year	923,973	962,635

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Lotteries Limited were:

Assets	1,280,364	1,274,461
Liabilities	(356,389)	(311,824)
Funds	923,975	962,637

14 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were:

	2024	2023
	£	£
Wages and salaries	12,006,337	10,868,886
Social security costs	1,049,548	987,131
Pension costs	1,484,836	1,386,943
	14,540,721	13,242,960

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,001 to £70,000	3	2
£70,001 to £80,000	-	1
£80,001 to £90,000	1	1
£90,001 to £100,000	-	-
£100,001 to £110,000	-	-
£110,001 to £120,000	1	1
£120,001 to £130,000	1	1

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2024	2024	2023	2023
	Number	FTE	Number	FTE
Raising funds	128	110	123	108
Charitable activities	322	274	309	263
Governance	1	1	1	1
	451	385	433	372

The key management personnel of the charity comprise the members of its executive management team. The total employee benefits of the key management personnel of the charity were £585,802 (2023: £600,519).

The trustees neither received nor waived any remuneration during the year (2023:£Nil).

The trustees did not have any expenses reimbursed during the year (2023:£Nil).

The charity has received no donations with conditions from the trustees during the year (2023:£Nil).

15 Pension costs
FPS defined benefit scheme

The charity contributes to a defined benefit scheme and the details are in note 21.

Contributions are made in accordance with the annual recommendations of a qualified independent actuary.

The contributions to this scheme in the year were £Nil (2023: £Nil). Also during the year shortfall payments in respect of a recovery plan have been paid totalling £190,995 (2023: £191,002).

Contributions are also made to a second plan (FPS Federated Flexiplan) in accordance with actuarial recommendations.

NHS defined benefit scheme

The charity also contributes to the NHS Pension Scheme, which is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2024, is based on valuation data as At 31 March 2023, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The contributions to this scheme in the year were £241,397 (2023: £272,269).

Aviva/Nest defined contribution schemes

The charity also contributes to defined contribution schemes in respect of employees who do not qualify for the FPS scheme or the NHS scheme.

The contributions to these schemes in the year were £1,031,445 (2023: £927,021).

16 Tangible fixed assets
Group and company

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2023	12,726,111	2,050,421	14,776,532
Additions	289,431	483,049	772,480
Disposals	(474,342)	(212,873)	(687,215)
At 31 March 2024	12,541,200	2,320,597	14,861,797
Depreciation			
At 1 April 2023	4,382,111	1,393,557	5,775,668
Charge for the year	424,319	259,600	683,919
Disposals	(333,681)	(193,210)	(526,891)
At 31 March 2024	4,472,749	1,459,947	5,932,696
Net book value			
At 31 March 2024	8,068,451	860,650	8,929,101
At 31 March 2023	8,344,000	656,864	9,000,864

17 Fixed asset investments

	Cash	Listed inv.	Total	2023
	£	£	£	£
Market value at 1 April 2023	184,846	8,514,942	8,699,788	9,153,108
Additional funds invested	-	-	-	-
Additions at cost	(3,278,469)	3,278,469	-	-
Disposals at carrying value	3,287,228	(3,287,228)	-	-
Change in value in the year	-	905,538	905,538	(436,546)
Other movement in cash balance	(46,741)	-	(46,741)	(16,774)
Market value at 31 March 2024	146,864	9,411,721	9,558,585	8,699,788
Historical cost at 31 March 2024	146,864	8,310,509	8,457,373	8,428,975

The following investments made up more than 5% each of the total market value of listed investments or bonds at 31 March 2023.

	2024	2023
	£	£
Fidelity UCITS ICA US Quality Income Fund	481,419	446,046
Vanguard Funds PLC S&P 500	552,920	463,787
Ishares CORE FTSE 100	546,224	280,433

Summary of Investments

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Investment in subsidiary companies	-	-	4	4
Other investments	9,558,585	8,699,788	9,558,585	8,699,788
	9,558,585	8,699,788	9,558,589	8,699,792

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18	Stock	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
	Stock in hand	10,272	9,034	-	-
		<u>10,272</u>	<u>9,034</u>	<u>-</u>	<u>-</u>
19	Debtors	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
	Trade debtors	23,351	48,994	23,352	48,994
	Amounts owed by subsidiary undertakings	-	-	177,808	-
	Other debtors	1,688,137	1,928,803	1,685,274	1,928,563
	Prepayments and accrued income	38,479	2,879	38,478	2,878
		<u>1,749,967</u>	<u>1,980,676</u>	<u>1,924,912</u>	<u>1,980,435</u>
20	Creditors: amounts falling due within one year	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
	Trade creditors	277,510	288,852	274,235	279,051
	Amounts owed to subsidiary undertakings	-	-	45,574	182,208
	Other creditors	562,329	459,042	211,230	153,469
	Taxes and social security	262,936	246,863	262,936	246,863
	Accruals and deferred income	1,341,155	276,895	1,334,000	269,675
		<u>2,443,930</u>	<u>1,271,652</u>	<u>2,127,975</u>	<u>1,131,266</u>

21 Pension and other post-retirement benefit commitments

Employee benefit obligations

a) The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Present value of funded obligations	7,318,000	7,441,000
Fair value of plan assets	(8,091,000)	(8,031,000)
Surplus not recognised	773,000	590,000
(Surplus)/ Deficit	<u>-</u>	<u>-</u>
Net pension (asset)/ liability recognised before tax	<u>-</u>	<u>-</u>

b) The amounts recognised in the statement of financial activities are as follows:

Current service cost included in staff costs within total resources expended	-	(16,000)
Net interest cost	(16,000)	(22,000)
Expenses	(11,000)	(29,000)
Past service cost	<u>(27,000)</u>	<u>(67,000)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Pension and other post-retirement benefit commitments (continued)

c) Included with other recognised gains and losses:

	2024	2023
	£	£
Return on assets, excluding interest income	(46,000)	(1,457,000)
Impact of surplus restrictions	-	-
Change in irrecoverable surplus	-	-
Actuarial gains on liabilities	34,000	2,575,000
Pension scheme surplus not recognised	<u>(152,000)</u>	<u>(590,000)</u>
	<u>(164,000)</u>	<u>528,000</u>

d) Changes in the present value of the scheme liabilities:

	2024	2023
	£	£
Opening liabilities	7,441,000	10,090,000
Current service cost	-	-
Past service cost	11,000	29,000
Interest cost	340,000	267,000
Contribution by scheme participants	-	-
Actuarial gains	(34,000)	(2,575,000)
Benefits paid (including payments to and on account of leavers)	<u>(440,000)</u>	<u>(370,000)</u>
	<u>7,318,000</u>	<u>7,441,000</u>

e) Changes in fair value of the scheme assets:

	£	£
Opening fair value of scheme assets	8,031,000	9,383,000
Interest income	371,000	251,000
Actuarial losses on assets	(46,000)	(1,457,000)
Contributions by employer	191,000	246,000
Expenses paid	(16,000)	(22,000)
Benefits paid (including payments to and on account of leavers)	<u>(440,000)</u>	<u>(370,000)</u>
	<u>8,091,000</u>	<u>8,031,000</u>

f) The major categories of scheme assets are as follows:

	2024	2023
	£	£
Equity	1,625,000	2,738,000
Bonds	6,176,000	1,202,000
Diversified funds	-	2,768,000
LDI	-	1,248,000
Cash	290,000	62,000
Annuity contracts	-	13,000
	<u>8,091,000</u>	<u>8,031,000</u>

g) Principal actuarial assumptions used by the actuary at the balance sheet date

	2024	2023
	%	%
Discount rate at 31 March	4.80	4.70
Rate of inflation (RPI)	3.25	3.40
Rate of inflation (CPI)	2.95	3.00
Rate of salary increase	2.50	2.50
Rate of increase to pensions in payment		
- Pre 1997 (Discretionary)	0.00	0.00
- 1997 - 2009 (RPI max 5%)	3.15	3.30
- Post 2009 (RPI max 2.5%)	2.20	2.25

21 Pension and other post-retirement benefit commitments (continued)

g) Principal actuarial assumptions used by the actuary at the balance sheet date (continued)

Expected life expectancies on retirement at age 65 are:	2024 Years	2023 Years
Males retiring immediately	19.40	19.10
Females retiring immediately	22.90	22.70
Males retiring in 20 years time	21.20	20.80
Females retiring in 20 years time	24.70	24.60

22 Financial commitments

Commitments under operating leases

As at 31 March 2024 the group was committed to making the following payments under non-cancellable operating leases as set out below:

	2024 Land & buildings £	2024 Other £	2023 Land & buildings £	2023 Other £
Group and company:				
Operating leases which expire:				
Within one year	440,456	44,142		55,638
Between two and five years	760,937	56,224	878,902	100,366
After five years	210,000	-		-
	<u>1,411,393</u>	<u>100,366</u>	<u>878,902</u>	<u>156,004</u>

23 Capital commitments

Contracted, not provided for

	Group and Company 2024 £	Group and Company 2023 £
	-	-
	<u>-</u>	<u>-</u>

24 Company limited by guarantee

Douglas Macmillan Hospice is a company limited by guarantee and accordingly does not have share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes:

	Movement in funds			
	Balances at 1 April 2023 £	Incoming resources £	Resources expended £	Balances at 31 March 2024 £
Other specific purposes	98,418	49,894	(507)	-
	<u>98,418</u>	<u>49,894</u>	<u>(507)</u>	<u>-</u>

Purposes of the funds

Specific purposes represents various donations made where the donors have asked that the monies be utilised to fund a specific aspect of the hospice's activities or to purchase particular items of equipment.

26 Designated funds

The income funds of the charity includes the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balances at 1 April 2023 £	Incoming resources £	Resources expended £	Balances at 31 March 2024 £
Fixed assets fund	9,000,864	-	(683,919)	612,156
Legacy equalisation fund	6,384,385	2,032,430	-	(2,333,633)
Young adult hospice fund	2,934,866	1,275,000	(537,588)	-
	<u>18,320,115</u>	<u>3,307,430</u>	<u>(1,221,507)</u>	<u>(1,721,477)</u>

The fixed assets fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of all assets.

The legacy equalisation fund has been designated by the trustees to provide for expenditure in future years. The trustees recognise the unpredictable nature of this source of income and have set aside funds to provide for expenditure not covered by income from other sources.

The young adult hospice fund relates to funding from the Denise Coates Foundation towards the on-going running costs of the young adults' hospice.

The transfer to the fixed asset fund is in respect of fixed asset additions in the year now designated by the trustees as part of the fixed asset fund and also fixed assets transferred from restricted funds.

The transfer from the legacy fund is to reflect the amount transferred to unrestricted income previously designated by the trustees. The amount is calculated on the multi year average of legacy income.

27 Analysis of group net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2024 are represented by:				
Tangible fixed assets	-	8,929,101	-	8,929,101
Investments	9,558,585	-	-	9,558,585
Current assets	2,800,332	9,755,460	147,805	12,703,597
Current liabilities	(2,443,930)	-	-	(2,443,930)
	<u>9,914,987</u>	<u>18,684,561</u>	<u>147,805</u>	<u>28,747,353</u>
Pension reserve	-	-	-	-
Group net assets	<u>9,914,987</u>	<u>18,684,561</u>	<u>147,805</u>	<u>28,747,353</u>

28 Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Net income for the reporting period	663,664	235,881	654,504	224,452
Adjustments for:				
Depreciation charges	683,919	593,581	683,919	593,581
Loss on disposal of tangible fixed assets	160,324	13,394	160,324	13,394
(Increase)/ decrease in investment cash balance	37,982	176,765	37,982	176,765
Gains/ (deficit) on investments	(905,538)	436,546	(905,538)	436,546
Actuarial gains	164,000	(528,000)	164,000	(528,000)
Dividends, interest and rents from investments	(517,849)	(263,346)	(517,849)	(263,346)
Difference between pension charge and cash contributions	(164,000)	(179,000)	(164,000)	(179,000)
(Increase)/ decrease in stocks	(1,238)	(4,446)	-	-
(Increase)/ decrease in debtors	230,709	1,460,648	55,523	1,990,776
Increase/ (decrease) in creditors	1,172,278	27,236	996,709	208,905
Net cash provided by operating activities	<u>1,524,251</u>	<u>1,969,259</u>	<u>1,165,574</u>	<u>2,674,073</u>

29 Analysis of net cash balances

	1 April 2023	Cash flow	Non-cash changes	31 March 2024
	£	£	£	£
Cash at bank and in hand	9,664,979	1,278,379	-	10,943,358
Fixed asset investments	8,699,788	(46,741)	905,538	9,558,585
	<u>18,364,767</u>	<u>1,231,638</u>	<u>905,538</u>	<u>20,501,943</u>

30 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	Notes	Group 2024	2023	Charity 2024	2023
		£	£	£	£
Financial assets					
Measured at fair value through net income / expenditure:					
Fixed asset listed investments	17	9,558,585	8,699,788	9,558,589	8,699,792
Debt instruments measured at amortised cost:					
Trade debtors	19	23,351	48,994	23,352	48,994
Amounts owed by subsidiary undertakings	19	-	-	177,808	-
Other debtors	19	1,688,137	1,928,803	1,685,274	1,928,563
		<u>1,711,488</u>	<u>1,977,797</u>	<u>1,886,434</u>	<u>1,977,557</u>

Financial liabilities

Measured at amortised cost

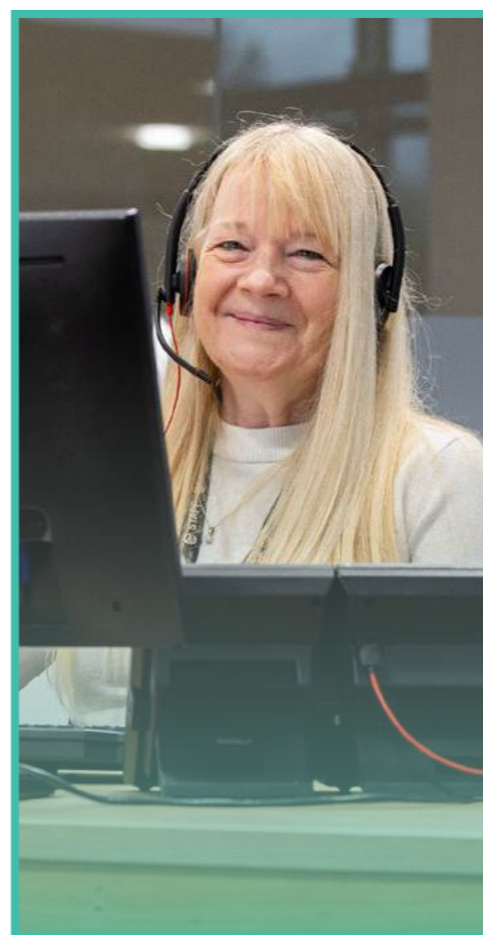
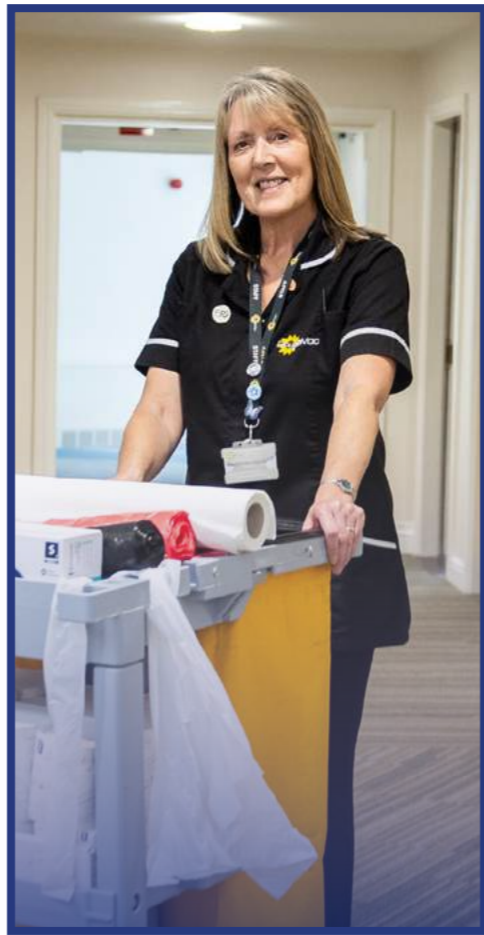
Trade creditors	20	277,510	288,852	274,235	279,051
Amounts owed to subsidiary undertakings	20	-	-	45,574	-
Other creditors	20	562,329	459,042	211,230	153,469
Taxes and social security	20	262,936	246,863	262,936	246,863
Accruals and deferred income	20	1,341,155	276,895	1,334,000	269,675
		<u>2,443,930</u>	<u>1,271,652</u>	<u>2,127,975</u>	<u>949,058</u>

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	Notes	Group 2024	2023	Charity 2024	2023
		£	£	£	£
Financial assets measured at fair value through net income / expenditure	17	905,538	(436,546)	905,538	(436,546)

31 Related party transactions

There were no related party transactions during the year (2023: £Nil).



Thank you

To all staff, volunteers and supporters who helped Dougie Mac in 2023 – 2024.
You really do make all the difference.



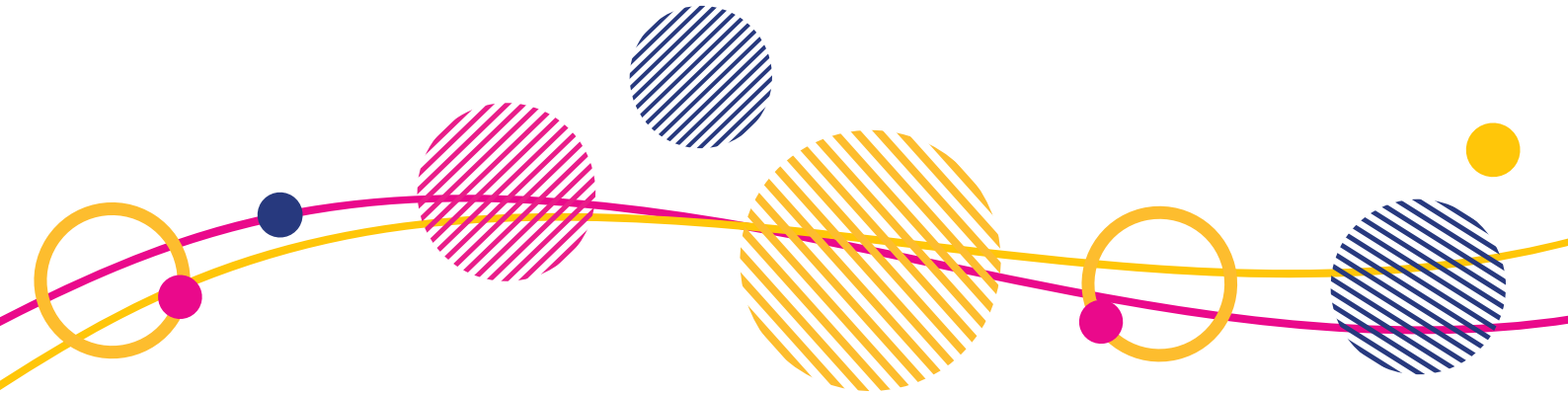


Adult Services

Barlaston Road
Blurton
Stoke-on-Trent
ST3 3NZ
01782 344300

Children and Young Adult Services

Grace Road
Trentham
Stoke-on-Trent
ST4 8FN
01782 654440



www.dougiemac.org.uk



/DougieMacHospice



/DMHospice



/DougieMacHospice

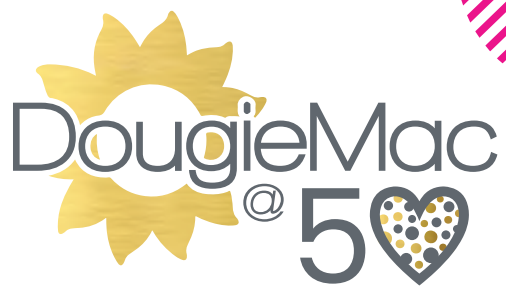


/DougieMacStoke

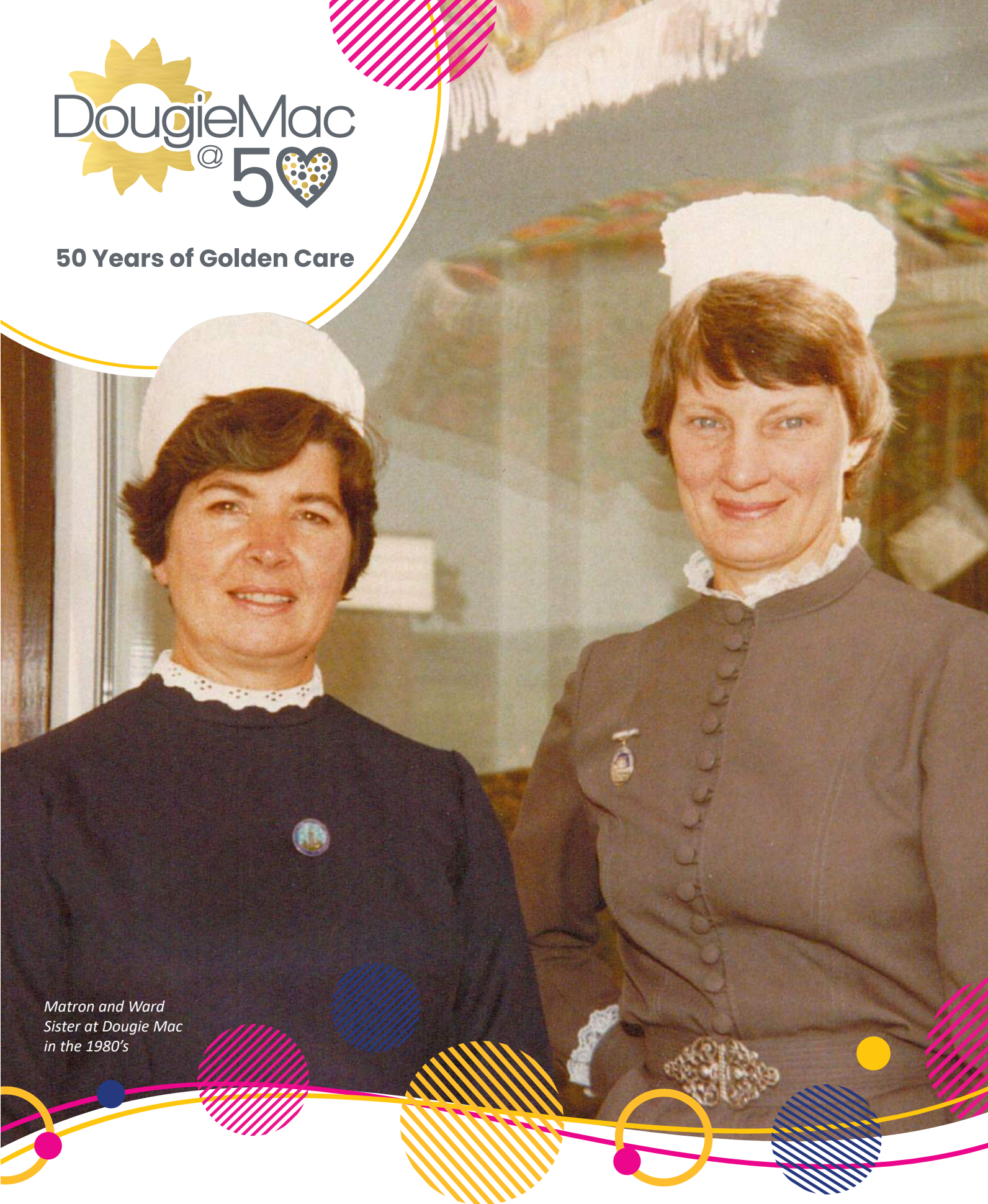
DOUGLAS MACMILLAN HOSPICE

England & Wales - Charity number 1071613

Accounts



50 Years of Golden Care



*Matron and Ward
Sister at Dougie Mac
in the 1980's*

Annual Report and Financial Accounts 2022-2023

Our Strength is Caring. Our Focus is You.



Compassion



Accountability



Respect



Excellence

Our Vision is... to be admired as a centre of excellence for palliative and end of life care.

Our Mission is... to respond to the increasing needs of those in our care across our heartland by growing as a sustainable organisation delivering outstanding value for money for all our funding sources and always remaining true to our core values.

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CEO Report



In celebrating our 50th anniversary this year of the inception of Douglas Macmillan “Home” in 1973, our contemporary hospice, Dougie Mac, continues to exert an exceptional influence on the lives of local people in our community who rely on our specialist, palliative and End of Life care. The occasion of our 50th birthday has enabled our hospice to reflect on our pivotal position in the local health system, but also to look ahead to ways in which we can extend that influence and play an even greater role in the emerging Integrated Care System in Stoke and Staffordshire.






As a financially robust hospice with capital strength to match our reputation for excellent care, Dougie Mac is well placed to spearhead changes which will enhance access to the uniquely patient-centric nature of hospice care. At the core of hospice care is our holistic approach which enables Dougie Mac to help our patients “live with” not just “die of” a terminal illness. Our commitment to holistic, hospice care

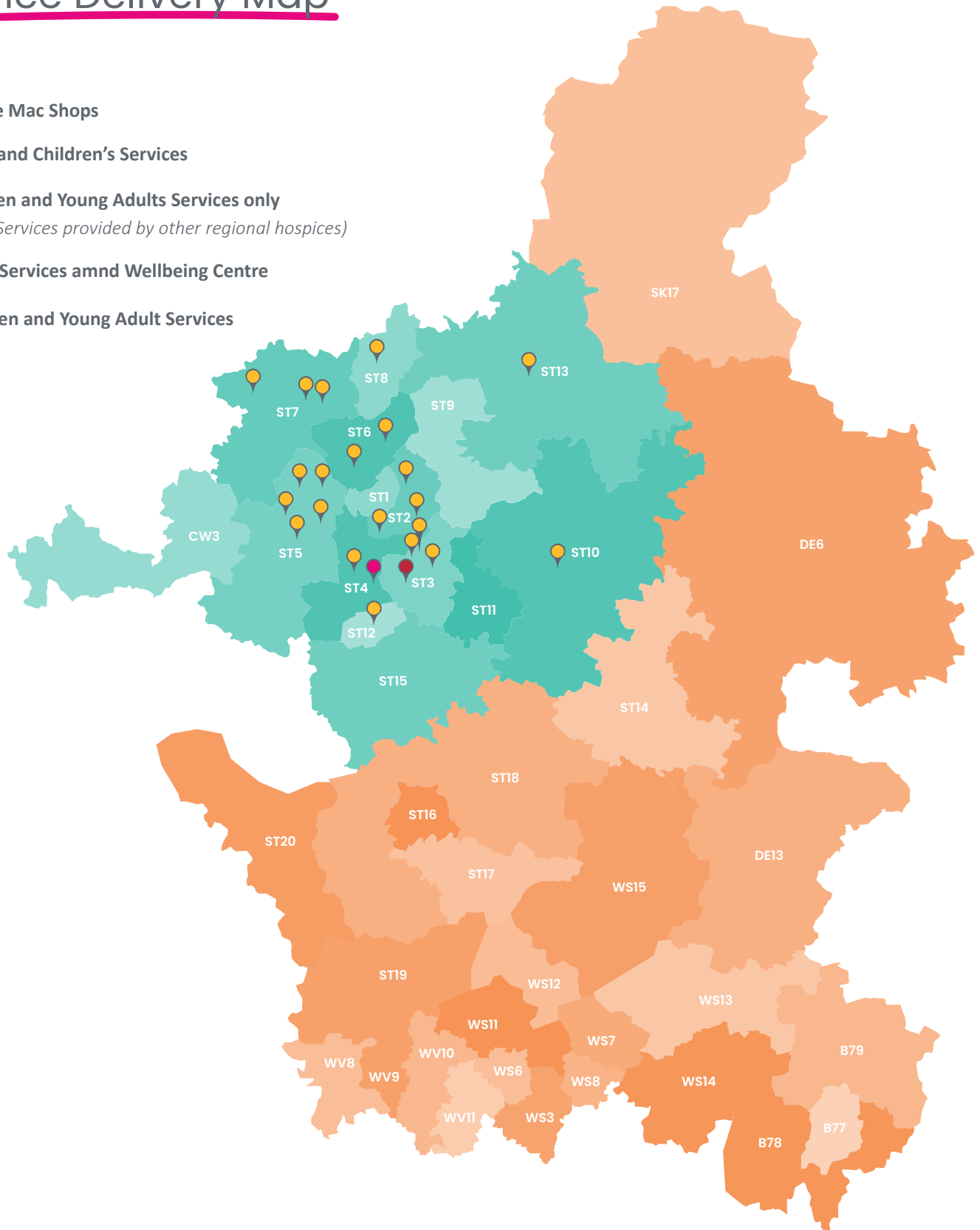
was emphatically demonstrated this year with the relaunch of a suite of Wellbeing Services which had been largely curtailed during the Covid19 pandemic. From group sessions which are available to patients and carers dealing with specific diagnoses (e.g. Motor Neurone Disease and dementia) through to services such as physiotherapy, bereavement counselling, complementary therapies and family support, Dougie Mac has not only emerged with vigour from those Covid19 constraints, but we have modernised and widened our services to reach more people far earlier in their journey of coping with a life-limiting illness.

Consequently, whilst enjoying our landmark celebratory year, we have equipped the hospice, through substantial investment in staffing resources, to forge an even more influential future where more local people can experience the palliative care and End of Life care for which Dougie Mac is rightly renowned.


David Webster, Chief Executive

Service Delivery Map

-  Dougie Mac Shops
-  Adult and Children's Services
-  Children and Young Adults Services only
(Adult Services provided by other regional hospices)
-  Adult Services amnd Wellbeing Centre
-  Children and Young Adult Services



CQC Latest Results

 Barlaston Road, Blurton, Stoke On Trent, ST3 3NZ
(01782) 344300
Provided by: Douglas Macmillan Hospice

Safe	Good	
Effective	Good	
Caring	Good	
Responsive	Outstanding	
Well-led	Good	

CQC inspection area ratings
(Latest report published on 3 February 2015)

CQC Inspections and ratings of specific services
(Latest report published on 3 February 2015)

Dougie Mac's Story so far...

1983

IN THE COMMUNITY

Our **first Palliative Care Nurse Specialists** were appointed to see patients and offer support to more people facing a terminal diagnosis.

From our simple beginnings 50 years ago, our staff and volunteers have dedicated themselves to delivering the very best palliative care for incurable conditions to meet the ever-changing needs of the local community.



1973

WE'RE OPEN

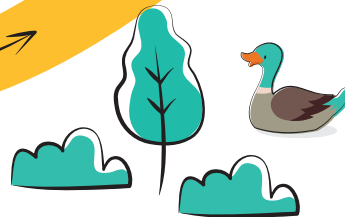
As The Douglas Macmillan Home we cared for **315 patients** in what is now our Inpatient Services for end of life care.



1985

DAY CARE

A new service became operational to offer symptom control and recreational activities. Remodelled in 2023 as Wellbeing Services.



1993

NEW NAME

Douglas Macmillan Home became Douglas Macmillan Hospice – now we're **Dougie Mac**.



1998

MORE SUPPORT

Services for patient wellbeing now include complementary therapies, physiotherapy, counselling and bereavement support, spiritual and social care.



1997

DONNA LOUISE

Local children's hospice Donna Louise Trust was **founded** for families who needed it.



20

HOSPI

Our inn
launched, a
to be care
homes in



2010

24/7 ADVICE

We launched our 24/7 Advice Line to provide patients, carers or healthcare professionals with specialist palliative care advice anytime they needed it.

2005

FIRST CONSULTANT

Appointed to enhance and lead on specialist end of life care.

2004

NOT JUST CANCER

We began to care for patients with other life-limiting illnesses including heart disease, motor neurone disease and respiratory illnesses like COPD.

2001

CARE AT HOME

Innovative service allowing local people to be **cared for in their own homes** in their final days.

2017

YOU'RE HIRED

We appointed our **first Admiral Nurse** as demand increased for expert, practical, clinical and emotional support for families living with **dementia**.

2021

CHILDREN'S CARE

Dougie Mac took over local children's hospice Donna Louise Trust, now Dougie Mac Children's Services, ensuring children's care continued in North Staffordshire and surrounding areas.

2022

YOUNG ADULTS

Care remodelled for those moving on from children's services taking total numbers cared for by Dougie Mac to **over 3,000**.

2023

WE'RE FIFTY

Thanks to unwavering local support, **Dougie Mac turns 50**, committed to being there wherever and whenever people need us.

24/7 ADVICE LINE: 01782 344 300



Dougie Mac @ 50

In February 2023 we marked the 50th birthday of Dougie Mac Hospice which was officially opened on Valentine's Day in 1973 by Princess Alexandra. It was a special opportunity to celebrate the expert care that we have provided to the community of Stoke-on-Trent, North Staffordshire and surrounding areas for the last 50 years. From small beginnings caring for 315 people in 1973, Dougie Mac has blossomed into a well-respected and much-loved organisation, now caring for more than 3,000 local people and their families each year who are living with life-limiting illnesses.

Our golden celebrations were a whirlwind of memories, celebrations and big plans for the future. We had a variety of events including a spectacular Birthday Ball and a Through the Decades Fashion Show which raised funds for our expert care services as well as a marquee on site at the hospice with lots of events to say 'thank you'; from afternoon teas and pie and pea suppers to business breakfasts and our Songs Through the Decades concert - we really did go all out!



We introduced a new design to our Everlasting Flowers collection to commemorate our 50th birthday. Kindly manufactured by KMF Metal, the limited edition metal celebration sunflower has stunning metallic gold petals contrasted with a black centre featuring cut-out stars.



2,140

Birthday Event Guests

1 Big Marquee



9

Venues



19



Events

Unlimited

thank you






We also launched a commemorative 50th birthday badge which features golden edging and a heart representing our hospice values of care and compassion.



1,142
Biodegradable Balloons



2,400
Drinks served



3,000
Plates Served

THURSDAY 16TH FEBRUARY

Thank you event for local solicitors who support our Make A Will Month campaigns

WEDNESDAY 22ND FEBRUARY

Wine & cheese evening with Jackie Malton for our legators

MONDAY 27TH FEBRUARY

Afternoon tea for our Dementia patients and carers

TUESDAY 28TH FEBRUARY

Michelin Chefs Celebration Dinner

WEDNESDAY 1ST MARCH

Virtual Tour & Thank you to our Trusts and Grants supporters

FRIDAY 3RD MARCH

Business Breakfast

FRIDAY 10TH MARCH

Dougie Mac Day

FRIDAY 10TH MARCH

Through the Decades Fashion Show

WEDNESDAY 15TH MARCH

Donors Cheese & Wine evening with our Director of Care

SATURDAY 18TH MARCH

Community Fayre for our neighbours

MONDAY 20TH MARCH

Cakes & a Cuppa for our community patients and their families

MONDAY 20TH MARCH

Pie and Pea Supper for our volunteers

TUESDAY 21ST MARCH

Cream Tea with our CEO for those who have left a gift in their Will

WEDNESDAY 22ND MARCH

Songs through the decades concert for people who have fundraised for the hospice

THURSDAY 23RD MARCH

Thank you brunch for volunteers

THURSDAY 23RD MARCH

Cream Tea for local dignitaries and charitable groups

FRIDAY 24TH MARCH

Thank you event for our Lottery players

FRIDAY 24TH MARCH

50th Birthday Ball



In our 50th year we also built on our fantastic partnerships with local businesses including gin school and micro-distillery, Gin Jamboree and local pottery giants, Moorcroft.

Gin Jamboree

Made in Staffordshire, Gin Jamboree Distillery lovingly handcrafted this special limited edition gin, served in a keepsake bottle. Infused with British berries, this flavoursome gin is presented in a beautifully decorated Wade Ceramic glazed bottle. 15% from every bottle sold is donated to Dougie Mac.



Moorcroft

Inspired by Dougie Mac's 50 years of care, local pottery firm Moorcroft created an outstanding commemorative collection of limited edition pieces inspired by the language of flowers. Moorcroft's Floriography Collection uses symbolic meanings to various flowers; words used to describe the hospice such as kindness, compassion and dignity are now encapsulated in a floral design. Every piece from the Floriography Collection will raise much needed funds to run Dougie Mac.



Dougie Mac Directors

Chief Executive Officer

David Webster
CQC Nominated Individual,
Senior Information Risk Officer



Director of Income Generation

Karen McKenzie
Lottery License Holder,
Data Protection Officer



Medical Director

Emer Cunningham McKenna
Caldicott Guardian



Director of Care

Jannette McCartney
Registered Manager,
Controlled Drugs
Accountable Officer



Director of HR and Support Services

Cris Hammond
Freedom to Speak up Guardian



Director of Finance

Vicki Dean



Safeguarding

The hospice promotes across all areas that abuse is not acceptable and that safeguarding is everyone's responsibility, this is supported by the Learning & Development team from a training perspective as well as 4 safeguarding leads within our care services who are available for advice.

The hospice commits to promote a safe environment and culture, raises awareness of safeguarding with staff and volunteers, respond promptly to every safeguarding concern or allegation, safely recruit and support all staff who work with children and vulnerable adults and care appropriately for individuals affected by abuse.

A safeguarding working group meets every quarter to ensure safeguarding remains at the forefront of people's minds.

Research

We're keen to work with local and national health bodies to make advancements in research in life-limiting illnesses and palliative care. During 2022-23, we played an active role in the following research projects:

- 1.** CHELsea II: A cluster randomised trial of clinically assisted hydration in patients in the last days of life. The aim of the study is to assess whether giving patients in the last days of life fluids via a drip is effective at preventing them from developing delirium / terminal agitation.
- 2.** Staff Masters-level research project: Staff experience of LGBTQ+ inequalities in UK palliative care services. A survey of staff and volunteers at the hospice and other regional hospices, aiming to explore LGBTQ+ inequalities, or the perception of inequalities, that staff experience or observe whilst working in palliative care services.

Governance

Dougie Mac is governed by the Board of Trustees, who are responsible for the Strategy and Governance of the hospice. The Board is supported in its decision-making by the recommendations of 7 Governance Groups (sub-committees). Membership of each Committee varies, with each containing Trustees, Directors and department heads:

Investments, Finance & Internal Audit

Responsible for high-level scrutiny of Dougie Mac's financial and business performance. Ensuring financial statements are accurate; financial controls are in place; internal and external audits are effective; monitoring the hospice's investment portfolio; relieving the financial risk assessment data.

People & Values

Responsible for overseeing all policies and processes relating to Dougie Mac employees, including the application of Dougie Mac's values; monitoring key performance indicators; ensuring that the hospice is managing people issues effectively and ensuring there is an effective annual performance process.

Clinical Governance

Responsible for ensuring that Dougie Mac is compliant with all statutory requirements associated with the services being provided and to provide assurance to the Board of Directors that the hospice has an effective and robust framework for ensuring clinical governance, quality, patient safety and clinical standards.

Corporate Governance

Responsible for overseeing Dougie Mac's sub-committees, promoting, and embedding the highest standards of corporate governance. Ensuring that sub-committees are operating effectively and efficiently and that succession plans are in place.

DMH Staffordshire Enterprises Ltd Board

Responsible for exercising strategic direction and governance for the Dougie Mac shops and associated trading activities, so as to optimise profitability. To ensure proper management systems and processes are in place to comply with legal requirements and reflecting an annual risk assessment of the business.

DMH Staffordshire Lotteries Ltd Board

The purpose of the Board is to exercise strategic direction and governance for Dougie Mac Lottery and associated gambling activities, so as to optimise profitability. To ensure proper management systems and processes are in place to comply with legal requirements and reflecting an annual risk assessment of the business.

Information Governance

Responsible for ensuring the hospice is compliant with all statutory requirements regarding data protection and information security matters and to provide assurance to the Board of Trustees that effective and robust mechanisms are in place.

Following a comprehensive external audit undertaken in March 2022, Dougie Mac were noted as compliant with a good level of assurance that the current processes and procedures in place deliver data protection compliance. The assessment found that our strengths included effective leadership, robust policies and security and comprehensive audit procedures.

Adult Services



Inpatient Services

As well as providing specialist care for individuals during the final stages of their illness, we also provide short admission stays for patients who require symptom control to help stabilise their condition before returning home. Our skilled, multi-disciplinary team are on hand 24 hours a day, 7 days a week; providing exemplary personalised care to ensure the safety, comfort and dignity of our patients.

Our Inpatient Unit has 26 single occupancy rooms to maintain the privacy of our patients and their loved ones. All rooms include modern, accessible bathroom facilities, a TV, radio, WIFI connectivity and a patio area which overlooks the hospice gardens and nearby countryside.



Total referrals **326**




206 patients were admitted for 15 days or less

60% of patients referred were admitted within 2 days

During the last year, staff development was a key priority in the Inpatient Services. We recognised the need for specialised development of our Inpatient unit staff and recruited a Practice Development Lead Nurse supported by a Practice Development Facilitator. These appointments help ensure that our staff are prepared to care for the increased complexity of our patients. They support staff and student placements through specialist training, clinical skills sessions, competency development and reflective practice. They are an asset to the hospice and role model for our staff.

We are committed to nurturing our own talent and upskilling our team that's why we introduced a Nurse Associate Scheme at Dougie Mac. We are proud to have 3 Registered Nurse Associates, 1 Trainee Nursing Associate and our very first Nurse Degree Apprentice who all started their time at Dougie Mac as Healthcare Support Workers and are now working towards building on their previous learning and qualifications. Introducing the scheme has been a real success and opportunity for our staff to develop and grow within our inpatient services whilst utilising funding from the apprenticeship levy.



Kindness is a gift that everyone
can afford to give.

Clarice
Cliffe

Sam's Story



In March 2021, Sam was diagnosed with several tumours in his brain. Later in 2021, we were referred to Dougie Mac who helped in turning our dark days a little brighter. Sam was admitted to Dougie Mac's Inpatient Unit in May 2022 and for the first time since his diagnosis, **I felt like his wife again – not just his carer.**

The nursing team were incredible and did everything they could to make me, Sam and our 3 year old daughter Pennie comfortable and happy. They'd visit us on their breaks to check how we all were and surprised Pennie with toys and magic tricks to keep her entertained. Sam even got to have his favourite takeaway when he was craving a burger and chips.

The hospice gave us the opportunity to spend quality time together and make precious memories which I'll treasure forever. Sam died on July 29th 2022 aged just 35.

The hospice didn't feel like a sad place. It felt like home.



– Hollie Cookson, Sam's Wife





Community Services

We are more than just our hospice site... We're comfort, dignity and compassion wherever our patients need us. That's why we offer care to our community 24 hours a day, 7 days a week. Whether that's over the phone or a visit at home; our community services offer patients more choice about the care they receive. **Whenever, wherever, we are here for you.**



24

hours a day

7

days a week



A large proportion of our care happens in our patients' own homes, with more than 2,000 referrals into our community services team between April 2022 and March 2023. Several teams work together to ensure that our patients and their families get the right support, at the right time, by the right people. Our team of visiting Palliative Care Nurse Specialists and Senior Healthcare Support Workers work closely with GPs to provide support with complex issues, including unmanaged symptoms and social, psychological and spiritual concerns.

For patients in the last two weeks of their life our Hospice at Home service provides practical support and emotional care for them, their carers and families. **This service allowed more than 90% of patients to die in their preferred place of care, at home, an increase of 13.1% from the previous year.**



Advice Line

Our advice line operates 24 hours a day, 7 days a week, allowing us to be there for patients and healthcare professionals, over the phone, day or night. During the period from April 2022 - March 2023 our advice line received 10,845 calls, an increase of 72% from pre-covid (2019/2020), with 28% of calls at the weekend or on Bank Holidays.



The advice line has helped me so much, especially in a few “panic” calls I had to make. Very good to know the support, excellent advice and information were always there at any time. Thank you.



- Family quote

10,845 calls

72%

Increase from pre covid

28%

Weekend / Bank Holiday calls

Admiral Nurses

We employ three Admiral Nurses who are registered nurses who specialise in dementia. They help carers gain the necessary skills to assist with dementia care, promoting positive approaches in living well with dementia and improving the quality of life for everyone involved.

Gordon's Story

When Gordon Shaw lost his wife of 62 years in 2019, sadly he never really got over the loss. He'd always been pretty fit and healthy, but following a fairly routine operation in October 2021, he never fully recovered and his health began to deteriorate quite quickly. After a short stay in hospital Gordon's family were shocked when he was referred to Dougie Mac. They were aware that their Dad wasn't well, but had never imagined that he needed the care and support of the hospice.



"Initially, and reluctantly, we got in touch with the hospice at home team who arranged fortnightly visits to see Dad at home. Knowing that we had someone we could contact, **no matter what time of day or night it was, was an absolute lifeline.** The team were so reliable – if they said they'd call us, they would, we never had to chase them. The support we all received was great."

"The most important thing for us was that we could all be with Dad, at home, which is where he wanted to be. There weren't any restrictions on who could be there, the whole family, as well as friends and neighbours were able to visit him to say goodbye. **Dougie Mac gave us the chance to be together as a family.**"

- Gordon's Daughters, Liz & Anne



Wellbeing Services

Wellbeing is an intrinsic positive outcome that is meaningful for each individual patient, their carers and family. Wellbeing integrates mental (mind) and physical (body) health resulting in a holistic rehabilitative approach to care at Dougie Mac. Our Wellbeing Services are an integral internal partner to the Inpatient Services and Community Services.

Wellbeing Centre

Our vision is to provide an accessible wellbeing programme and centre, striving for an inclusive, informative and beneficial service to our Dougie Mac patients, their carers and families, and external partners supporting people with a life-limiting or palliative illness.

Over the last year, we have re-built our wellbeing programme following the closure of our day therapy services as a consequence of the Covid-19 pandemic.

We have worked hard to build significant relationships with external partners to deliver 23 different groups including a craft club, gardening group, music group and walking club; all of which aim to enhance and boost wellbeing of our patients and their families.

For those who find it difficult to travel to the hospice to access our wellbeing groups, we established 4 additional groups in community centres in Staffordshire to enable us to reach families living in more rural areas.





We enjoy coming here, we get a lot of answers and reassurance, we enjoy the companionship of others who understand what we are feeling. It helps so much and we hope the group continues. The staff are fabulous.





Therapies Team

Our Therapies services include physiotherapy, lymphoedema clinics, complementary therapy and occupational therapy that provide integrated and coordinated rehabilitative therapy to support patient independence and relieve and managed debilitating symptoms associated with a life-limiting illness.

Emotional and Spiritual Support Team

The Emotional and Spiritual Support Team includes counselling and bereavement support and Spiritual, Pastoral and Religious Care Services and our vision is to provide an inclusive, accessible all-age service, responsive to individual need, integrated across the range of hospice services, understood and supported by staff and volunteers.

Patient and Family Support Team

Within the Patient and Family Support Team, we support patients and their families with advance care planning, social work and carer support. We aim to empower patients, their carers and families to remain independent and self-manage their condition through promoting choice with specialise psychosocial support, interventions and education.





Children and Young Adult Services

Children Services

After caring solely for adults across the area for almost 50 years, we're proud to have added care for children and young adults to our service provision after amalgamating with local children's hospice, The Donna Louise Trust in March 2021.

We provide specialist care and support services for children with life-shortening conditions, due to illness or injury, from birth until they no longer need us.

The hospice is designed to provide a safe, home-from-home environment for the children, young people and their families we support.

Our comfortable and spacious hospice, based at Grace Road in Trentham, is superbly equipped with facilities to meet the various needs of our children and young people and to create treasured memories.

Caring for a child with a life-limiting condition can put incredible demands on families – both physically and emotionally. Supporting these families helps them to feel that they are not alone, and also empowers them to make confident decisions and plans regarding their child's care.

We understand the importance of making wonderful, cherished memories. Spending quality time as a family is just as important as taking that well needed break. Our aim is to help make every moment count for the families we support.

Our multidisciplinary care team of children's nurses, care support workers, social workers, doctors, physiotherapists, counsellors, play and music specialists provide holistic, emotional, psychological and spiritual support for the children, their parents and siblings.

new referrals increased by



249



families supported by our family liaison team

68



bereaved family members



67

families supported by our social work team

86

families supported by our counsellors

The year saw a focus on our family and sibling services. We offered a range of activities and support for brothers and sisters, including fun sessions at the hospice and fantastic days out to local attractions. We encourage siblings to build friendships, as being with others who are experiencing similar issues to them can be a great support.





At the start of 2023, we opened our new cinema room, kitted out with a 3m wide screen, surround sound, a twinkling starlight ceiling and acoustic panelling. With space to accommodate wheelchairs and beds, plus seating for friends, family and carers, every aspect of the room was generously donated by Together for Cinema. The room means that we now have a safe, comfortable space where families can relax, enjoy a film and make memories together.

End of life care and bereavement support is a priority for our children's care team. They work alongside families to ensure that their wishes are at the centre of our care provision. Providing a calm and comfortable environment for the family to be together is vital.

You all have a special place in our hearts; you're incredible people making incredible changes to lives like ours.

Young Adult Services

Following commencement of day opportunities in 2021, Spring 2022 saw us welcome 3 young adults for a 2 night stay respite stay in our purpose built Young Adult Unit. Our respite stays have provided support to families and the opportunity for our young adults to experience freedom and social time with their peers...which of course involved parties, lots of parties! Since then, the service has continued to grow and we now regularly see 3 – 5 young people enjoying respite stays in their own private rooms.

Renovations took place to transform an unused space in the Young Adult Unit in to a sensory room filled with lights, colours, sounds and soft play items to spark young imaginations and create moments of fun. The project was funded thanks to generous donations from an auction of fantastic prizes including staycations and Robbie Williams memorabilia.

A group of our young adults formed a quiz team and now enjoy testing their general knowledge at the local pub quiz every Sunday. This has been vital in supporting our young adults to participate in activities that other young people also enjoy as well as ingratiating them into everyday life outside of the hospice.

A special highlight for the Young Adult Team was supporting a young adult into their own accommodation. With little support from their family or external service providers, they were completely dependent on us for support during this transition. We were also able to help the young adult furnish their new apartment with items sourced from our charity shops.

Christmas is always a special time of year at the hospice and in December 2022, we hosted our Christmas Party Extravaganza where we invited all our young adults for some festive fun, accompanied by reindeer, alpacas and Father Christmas!





Support Services

The following functions all play a vital part in supporting the hospice to deliver its services. They work across all departments to enable them to fulfil their aims and objectives.

Reception

Our friendly reception team are the first people visitors to the hospice meet. Manned by 4 staff and 27 volunteers, the adult services reception is open from 8am-8pm daily, while the children's service reception is open weekdays 8.30am-4.00pm.

As well as greeting guests, the reception team also field all incoming calls from families, healthcare professionals, supporters and suppliers; totalling more than 40,000 calls in the last year!



Adult Services Reception



Children's Services Reception



4,368 hours

manning reception at our Adult Services

2,080 hours

manning reception at our Children & Young Adult Services



You are the first point of call, that lovely welcome smile and your kind words that firstly helps the start of a precious day with your loved one. The moment that helps you get through each day.



Best Companies

Its official - in 2023 we were incredibly proud to have been awarded the prestigious **BEST COMPANIES** 3 star accreditation. Based on employee feedback, this accolade demonstrates that our staff feel valued, engaged and proud of where they work. After ranking as a 2 star 'outstanding' company for thru last 3 consecutive years, one of our strategic aims was to achieve the 3 star **WORLD CLASS** accreditation in our 50th birthday year... and we did it!

As if 'world class' wasn't enough, we also featured on 3 of the Best Companies 2023 Q3 league table list too.



To be recognised as one of the top performers in our sector was an outstanding achievement for Dougie Mac - especially in our 50th birthday year.



in the UK's
Top 25 Large Companies
To Work For list



in the West Midlands
Top 25 Companies
To Work For



Charities best
organisation To
Work For list

HR

Our workforce of 447 members of staff pride themselves on living the hospice values of Compassion, Accountability, Respect and Excellence.

Investors in Excellence

We were the first hospice in the UK to be recognised as an 'Investor in Excellence' by performance improvement, development and growth specialists; Investors in Excellence.



We have been working in partnership with IIE for six years, and their expertise has illuminated so much to help our fantastic team, becoming part of our DNA and giving staff and volunteers the recognition they deserve for delivering an exceptional service for patients and their loved ones.

56% Care 20% Retail
15% Support Services
9% Income Generation

Staff Awards

The annual Dougie Mac Awards recognises the hard work and achievements of our team. From clinical care to income generation, we endeavour to celebrate our employees who show their unrelenting commitment and excellence as recognised by their peers.

Being recognised by your colleagues for being a hospice hero and living the hospice values is the most humbling experience.



Disability Confident

We achieved Disability Confident Level 2 making us a disability confident employer. This means we offer a guaranteed interview to those applicants who qualify under the 'Disability Confident' scheme and committed to supporting people with disabilities back into the workplace through making reasonable adjustments as well as supporting those people who become disabled whilst employed by the hospice.



Information Technology

With information technology developing at a fast pace it was time to look for a replacement patient database for our Adult Services. A few contenders made the short list, however the contemporary functionality of SystmOne put it as first choice. Working closely with Learning & Development and a wider project team to implement, SystmOne will enable us to become more efficient and will improve accessibility to our clinical patient data.

Currently in the early stages, the project's aim is to implement a fully fit for purpose system which will support all the needs of our clinical teams, maintaining and ensuring the safety of patients as well as making information accessible and reportable to evidence the impact each clinical service has.

Telephone System Update

The Dougie Mac telephone system had been in place for over 11 years meaning the hardware was well outdated. Connecting both hospice sites and our retail network was super important and meant that we needed a cloud-based system. Following extensive research 8x8 matched our needs, its model used functionality means staff no longer needed a desk phones to make or receive calls, compatible headsets and mobile devices now connect our organisation like never before.

On average each month
30,000 calls are
made or received





DougieMac



Facilities

We had an exceptional year recycling waste products at both our hospice sites, mainly thanks to improved staff training and awareness of the types of products we can recycle.

None of our waste is sent to landfill, instead 96% is recycled, with the remaining 4% being incinerated.

we produce **370** tonnes of waste and offset **40,559** tonnes of carbon over **12** months.

Catering

Patients, relatives, staff and volunteers have access to fresh home-cooked meals around the clock across both of our hospice sites. Our catering team support patients who have difficulty eating by making special meals on request as well as going the extra mile to provide refreshments and cakes for special occasions. We also use the fruit and vegetables grown in our gardens to make hearty soups and our traditional Staffordshire lobby! We were also proud to maintained 5 star hygiene ratings across both sites too!

Fire Safety

The hospice's fire safety processes and strategies have been greatly improved thanks to increased spending and a focus on staff training and awareness. The Facilities teams have particularly focused on compliance within our children and young adult facilities.

The improvements we've made have been recognised and acknowledged by Staffordshire Fire Service.

13,042
patient meals
prepped in a year

Gardening

The Royal Horticultural Society presented Dougie Mac with a Level 5 (Outstanding) Neighbourhood Award for our beautiful gardens which are loved by our staff, patients and visitors.



5,012
were bulbs planted
in Dougie Mac's garden



Learning & Development

As a hospice we recognise that our staff are our most valuable asset, we believe that nurturing and growing our own workforce is vital and we do this in many ways.

Clinical and non-clinical training and education is provided by a range of specialist staff including Specialist Adult & Paediatric Nurses, Medics, Practice Development Nurses, Non-clinical subject matter experts and external training providers.

We continue to provide staff with a blend of face-to-face and digital learning solutions which we evaluate regularly, this includes access to recordings of learning sessions such as: Parkinson's Journey; a day in the life of sessions; energy efficiency and many more.

Our face-to-face sessions covered a range of topics including sessions focused on health & wellbeing. With over 40 topics delivered, these included: Learn CPR, Dementia Tier 1, cultural care, menopause support for staff and managers, it's your funeral, calming the chattering mind and Microsoft Excel & Macros.

We are also proud to maintain the skills of our Mental Health First Aid Network, First Aiders, Fire Marshals, & Domestic Abuse Champions. Our focus in 2023 is to implement a foundation, intermediate and advanced communication skills framework which will be delivered internally.

We provide staff with in-house Maths and English functional skills sessions to prepare them for future development opportunities. The apprenticeship levy is one of the ways we upskill our staff this includes courses such as: Business and Administration, Nursing Associate including a Degree Nurse Top-up, Finance & Accounts Assistant, Senior Leader Masters, Customer Service, HR and L&D Associate, Healthcare support worker Level 3 & 4 with many more available to us.

In Quarter 4 our Mandatory Training compliance average was

91.92%

We had more than

2,226

continuous professional development (CPD) hours



Finance

Over the last year, Finance worked closely with Learning and Development to recruit a Finance Apprentice to support with finance tasks.

Jasmine's Apprenticeship journey Q&A

Where did you study your apprenticeship?

I started my apprenticeship in January 2022 at Newcastle-under-Lyme College.

Why did you choose a finance apprenticeship?

Having previously studied mathematics, business studies and accounting at college I knew I had an interest in numerical subjects. The apprenticeship allowed me to gain a qualification while remaining in employment.

What studying alongside working looked like?

Wednesday was my dedicated college day then I worked 4 days a week at Dougie Mac putting my learnings into practice.

Why did you choose Dougie Mac?

My mum has worked at the children's services for a few years. She saw that Dougie Mac were recruiting a Finance Apprentice and suggested I apply. She has always spoken highly of the Dougie Mac and it sounded like a lovely place to work. **The idea of working for an organisation that is so beloved within the community was very appealing.**

What have you enjoyed most about working at Dougie Mac?

The hospice work hard to ensure you feel like you're an important part of the organisation. It's so easy to feel like you're just a number when you work for a large company but at Dougie Mac you feel like your work makes a difference and is valued and that's really important to me.

What have you learnt that you have been surprised by?

During my apprenticeship I was required to research business topics that were specific to the hospice. This gave me an insight to the work that the hospice does and helped me to understand the role that the hospice plays within the local community. I was surprised at the outreach the hospice has and the wide range of services that they offer. I didn't expect that the apprenticeship would help me to understand my job role more and allow me to see how my role aids the success of the organisation.

How valuable has doing an apprenticeship been?

Before my apprenticeship I struggled to write reports and essays which would later be necessary in my job role. As I have been out of college for over 12 years, it was initially very difficult to get back into the amount of reading and writing that was expected of me when I began. Before I began my job in finance I had no experience writing emails so going from that to writing many emails a day and having to write in a professional tone was difficult. I am now confident in my writing ability and I have gained invaluable experience with researching topics for essays.

What is your job title now and what does your role involve?

My job title is now Accounts Assistant after passing my final exams earlier this year. I assist with the purchase ledger side of the accounts and I'm responsible for entering and coding purchases made by each department in the hospice.

9,499 donor letters | **1,185,000** Coins Counted
Banking services reviewed to minimize cost and maximize interest

Housekeeping



Our housekeepers maintain our high standards of cleanliness in every area of both hospice sites, from the offices of our administrative staff and Inpatient Services, to family living spaces and visitor facilities.

Between them, the team work 426 hours each week - that's 22,152 hours per year. By following strict cleaning procedures they keep our sites and equipment clean, ensuring effective systems are in place to prevent and manage potential infections.

This year the team have been testing products that reduce the need for ready-to-use spray bottles. They now use high concentration, but lower, more accurate dosage methods, which means that much less packaging is required and less water is used during production. The overall results are reduced waste and minimal impact on the environment.

Volunteer Services

As we began to come out of restrictions imposed by COVID-19, we were eager to have our volunteers return to the hospice. Following Government guidance, we were able to build our Volunteer Team back, albeit with around 40% less volunteers than our pre-pandemic numbers.

We celebrated Volunteers Week at Hanley Park in May 2022. Over 100 people attended and enjoyed canapés, fizz, brass band music, finally being able to socialise again.

After speaking to our volunteers, we realised many of them, particularly those who no longer volunteered for us, were feeling lonely and isolated. We therefore launched a monthly over 55's social group; where volunteers past and present could pop in for a chat and a brew. This group has allowed some great friendships to be formed.

We were excited to re-launch our corporate volunteering program, allowing employees from local businesses to donate their time and volunteer in our shops, gardens or more adhoc roles such as leafletting.

This gave our corporate volunteers the opportunity to see how we raise our income and understand the impact of the care we deliver. A significant number of the corporate groups we had join us following lockdown had been working from home and hadn't seen their colleagues in person for months and so thoroughly enjoyed interacting with their team again.

Whilst we continued to re-build our Volunteer Team, we also explored other ways to support short-term volunteering opportunities and helping people back into volunteering and work. This included welcoming a small group of Ukrainian refugees to volunteer in our shops to help them integrate into British life and learn English.

We have also welcomed two students from a local SEND college under their supported internships program which enables students with Autism to get experience of working, with the ultimate aim to live independently.



Pat Jones
Volunteer



Marketing & Communications

Our Marketing & Communications Team provides all press, PR, digital marketing, supporter database administration and graphic design for external marketing and communications to maximise the generation of funds for Dougie Mac and promote its care services.

It was an exciting and busy year for Marketing & Comms – spearheading 50th birthday celebrations for supporters, staff and volunteers all while continuing to utilise a variety of creative content to reach and engage our supporters from direct mail campaigns to storytelling and targeted advertising.

We were excited to expand our graphic design function inhouse to ensure focus and efficiency when creating a whole host of materials for the different teams across the hospice; ensuring Dougie Mac’s brand stood out from the crowd.

Another highlight for the team was the successful bringing together of two supporter databases following Donna Louise being taken over by Dougie Mac in 2021. A lengthy project of checking, matching and merging began to update thousands of supporter records; completed in January 2023 the project added more than 39,000 new records into Dougie Mac’s supporter database.



www.dougiemac.org.uk



/DougieMacHospice



/DougieMacStoke



/DougieMacHospice



/DMHospice



33,183

database updates



8,000

Website clicks



708

new Facebook followers



over 75

Press & Radio features

Virtual Tour

We also gave people a unique opportunity to step inside the hospice with our 360 virtual tour. By making sure the tour is accessible digitally allows patients, service users and their families to view facilities from the comfort of their own home and to help them feel more at ease and comfortable with the surroundings when they use our services or stay with us. The hospice building and grounds have changed a lot in our 50 year history, but what hasn't changed is our dedication to delivering specialist care for our local community.

**Step inside and take a tour of our hospice services:
<https://my.360picture.uk/tour/dougie-mac>**



Income Generation

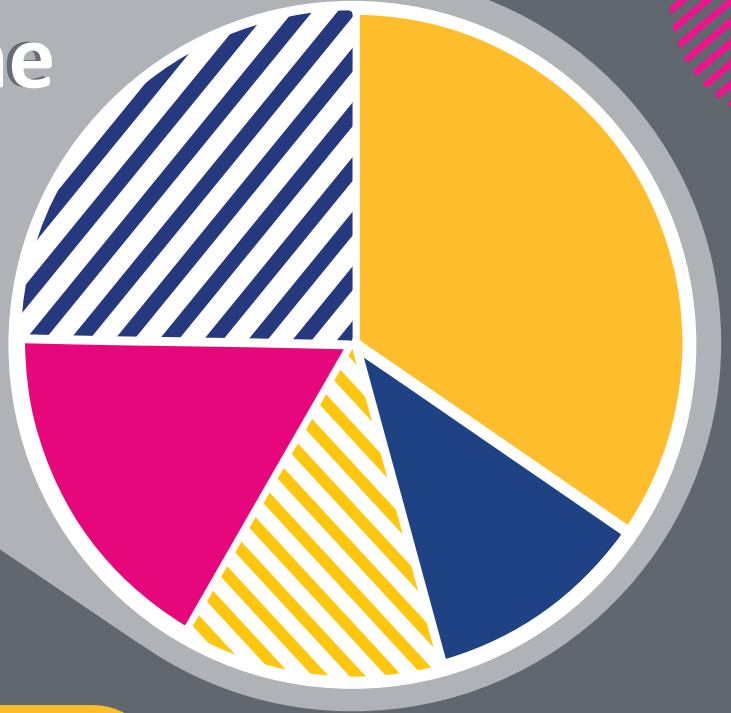
People are at the heart of all we do



How we raise money

Thanks to the remarkable generosity of thousands of **people**, we are able to continue to deliver the very best palliative care for incurable conditions to adults, children and young adults - when they need it, where they need it and what they need. **76% of the total income received in 22/23 came from donated income and trading activities.**

Donated Income



Total donated in 22/23 **£13,391,911**



Fundraising Events

£1,680,074



Donations & Gifts

£3,310,253



Legacies

£2,272,732



Lottery

£1,495,779



Retail

£4,633,073

Fundraising Events – £1,680,074

Last year our community supporters, business partners, philanthropic groups, local schools and friends raised a staggering amount of money. However, it's not just the amount of money raised that's staggering, it's the imagination, determination and dedication of our volunteer fundraisers too. Events ranged from Bongo Bingo to sky dives, bike rides to murder mystery nights, marathons to cake sales, a head shave to a bed push. Some local businesses even pledged to raise 50k to match our 50 golden years of care, some people even attempted to break world records... the list is endless, as is the enthusiasm and willingness of **people** to raise money for us.

Additionally, Dougie Mac's own fundraising staff welcomed over 2,000 **people** to their annual events; 2 Golf days, a Moonlight Walk, the Llangollen Bike Ride and 2 Balls.

PLUS - one of the highlights...

Michelin teamed up with Lunar restaurant chef entrepreneur Niall Keating to host a gourmet dinner for Dougie Mac foodies who with celebrity chefs Simon Rogan, Tom Barnes, Lisa Goodwin Allen and Tom Sellers created a fabulous 7 course menu. All served on Wedgwood china, showcasing the culinary extravaganza at the stunning World of Wedgwood, Barlaston.



419 fundraising activities
organised by members of the
community raising more than
£170,000



135
guests
more than
£45,000
raised





Katie's Mum, Gloria, was diagnosed with breast cancer which later spread to her lymph nodes. Treatment to beat the cancer resulted in Gloria losing her hair. Keen to support Gloria through her journey, Katie decided to shave her own hair to raise awareness as well as more than **£3,000** for Dougie Mac.

Children & Young People

We launched a new initiative in September 2022. Our aim - to educate and inform future generations about Dougie Mac and invite them to take part in one of our innovative and exciting fundraising activities designed specifically for children and young people. Schools and other education establishments warmly welcomed Dougie Mac trained staff and volunteers in the early months and the initiative continues to gain momentum.



Business Partnerships

The support of **people** from our local business community was crucial in 2022/23 and it really did make a difference to the care we provided. The value of these partnerships with business owners, leaders and their employees was not just measured by company financial donations and fundraising activities either. Support came in many other ways too. Companies gifted their products and services either free of charge or at substantial discounted rates; many employees volunteered as part of their working day and lots also filled bags of their own unwanted items for us to sell in our charity shops.

In June 2023 we held a Business Partnership Awards Lunch to celebrate the successes of the previous year and say a huge thank you to our highly valued business partners. Please take a look at the award categories, winners and commendations on page 45.

Partnership Awards

Bronze – Support between £5k up to £10k

Altecnic Ltd
bet365
DJH Mitten Clarke Ltd
DPD
Fine Ceramic Transfers Ltd
Huler
KDM Events

Pastel Solutions Ltd
Pinkstones Toyota
Plumbing Solutions
QPS Print
LA International
Neida Products Engineering Ltd
O'Neill Patient Solicitors LLP

Stoke City Community Trust
Stoke on Trent Repertory Theatre
Terraces Menswear
W. Moorcroft Ltd
360 Picture Solutions UK Ltd

Silver – Support between £10k up to £15k

Charles River Laboratories
Currie Young

Parogon Group
Tinsdills Solicitors

Gold – Support between £15k up to £20k

Cable Services Ltd
Fiskars UK Limited

Geens Chartered Accountants
Harrison Carloss

Platinum – Support between £20k up to £50k

Asda Lymedale Distribution Centre
Barratt & David Wilson Homes NW
Carmountside Crematorium
Eurostar Global Electronics
H Brown & Son Recycling Ltd
Hanley Economic Building Society

Palladium – Support exceeding £50k

KMF Precision Sheet Metal Ltd
Lunar
New Look Distribution Centre
TIP Trailer Services Ltd

Recognition Awards

Corporate Volunteering Award

Winner Charles River Laboratories

Scratch Card Sales Award

Winner Foaming Quart
Commendation Dougie Mac Shops
Commendation Double Tree by Hilton,
Stoke on Trent

Trailblazer Award

Winner Carmountside Crematorium
Commendation Brampton Recruitment
Commendation Lunar

Collection Box Award

Winner The Card Shop
Commendation Grahams Chemist
Commendation Bradeley Village Stores

Will Writing Champion Award

Winner Lichfield Reynolds
Commendation Beeston Shenton
Commendation Clowes & Co

Best Supplier Award

Winner Stoke Repertory Theatre
Commendation W Moors and Son Ltd
Commendation CCS Media Ltd

Charity Champion Award

Winner Janice Furnival,
TIP Trailer Services Ltd
Commendation Lara Peacock,
Charles River Laboratories
Commendation Mitch Brown,
H Brown & Son Recycling Ltd

Extra Mile Award

Winner Fine Ceramic
Transfers Ltd

Milestone Award – exceeding £100,000

TF Solutions Ltd

Best Business Partnership Award 2022/23

Winner TIP Trailer Services Ltd
Commendation Eurostar Global Electronics
Commendation KMF Precision Sheet Metal Ltds

Milestone Award – exceeding £250,000

Hanley Economic Building Society
KMF Precision Sheet Metal Ltd

Donations and Gifts – £3,310,253

People truly are at the heart of all we do and how we raise money to keep doing what we do.

Making a personal donation to Dougie Mac is second nature to so many **people** – it is just what our kind, generous and dedicated supporters do. Last year despite the cost-of-living crisis almost everyone experienced, **people** did not falter in their support for Dougie Mac – they just kept on giving.

Our core individual giving income streams remained almost constant. **People** continued with their regular monthly donations; our one-off appeal Time to Care was well supported. 2,982 **people** decided to ask for funeral donations in lieu of flowers, over 3,030 people sponsored a light on the Hospice Christmas tree, 534 **people** rounded up their payments and gave a little extra when purchasing from our Gift Guide and 6,489 **people** re-donated the sales of their preloved items given to Dougie Mac Shops to sell.

Gift Aid is an often-forgotten vital source of income and last year 38% of our donors told us they paid tax by making a Gift Aid Declaration, which allowed us to reclaim 25% of their personal donations from HMRC.

£438,714 *giftaid it*
Income from Gift Aid



There are a multitude of ways that **people** can and do make donations to Dougie Mac but generally for the same reason – in memory of a loved one who has been cared for by Dougie Mac.

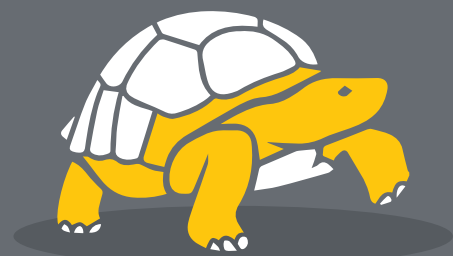
Trusts & Foundations

Trusts and Foundations based across the UK and overseas contribute to the donations we received too.

Last year the size of each donation from each philanthropic organisation ranged from £100 to £1m. Their grants and gifts helped with our revenue costs and also funded the purchase of much needed equipment; hair and beauty equipment for young adults, 3 Oska Regis reclining chairs, 2 specialist beds, 5 syringe pumps and garden items.

Legacies

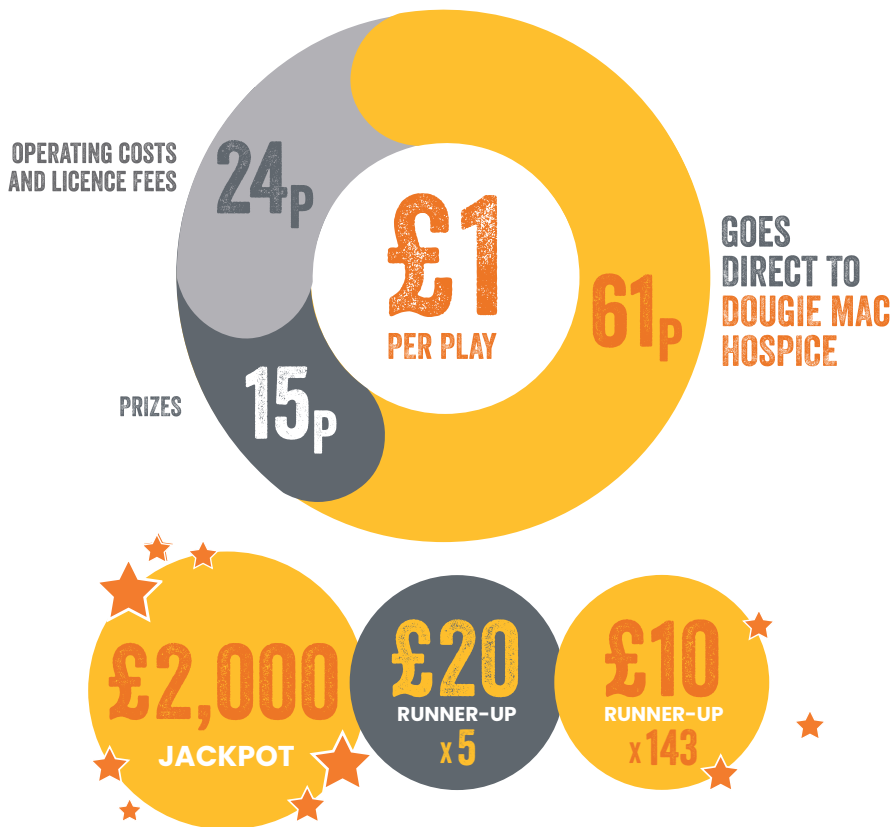
Last year 85 **people** remembered Dougie Mac in their will and left a gift to the hospice. Each legacy is appreciated and we recognise the kind thoughts and sentiments that lie behind the gesture to leave a legacy to Dougie Mac.



As well as money, we were also left 10 houses, the contents of 5 houses, 1 car, many pieces of jewelry and, much to our surprise, a parakeet and tortoise – the former items were all sold to raise money. The latter were found new owners to continue to lovingly care for them.

Lottery - £1,495,779

The 1st draw for Dougie Mac weekly lottery took place in 1996 and the number of people playing the Lottery has consistently and steadily grown year on year. To become one of our most reliable and dependable income sources. In March 2023 18,286 **people** played our weekly lottery, each paying £1 each week for each number they had in the draw. The percentage of the proceeds gifted back to the charity is one of the highest in the UK, significantly higher than many other lottery household names.



Our players tell us though it's not really about winning, that's a bonus - it is about feeling part of Dougie Mac and knowing by playing the Dougie Mac Lottery you make a difference to the lives of many local people, children, young adults and their families and friends.

Although last year 3,445 people signed up to play, cancellation rates have averaged 14%, which keeps our small hardworking administration team very busy!

Recruiting new people to play the Dougie Mac Lottery takes dedication and tenacity – last year our Lottery Promotions team made hundreds of telephone calls, stood in workplaces, public areas and supermarkets, knocked on thousands of doors and delivered countless leaflets to promote our weekly lottery and sign up the big-hearted people of Stoke on Trent, Newcastle, Staffordshire Moorlands and surrounding villages. Lottery promoters like Kevin (pictured) are vital to the continuation and success of the weekly Dougie Mac Lottery.





Did you know?

In our Weekly Draw we have...



Chances to Win



Numbers in the draw



£23,099

Prizes re-donated

Other Gambling Products



Raffle Tickets sold

£23,593



Donations from 2 Raffles



20,858

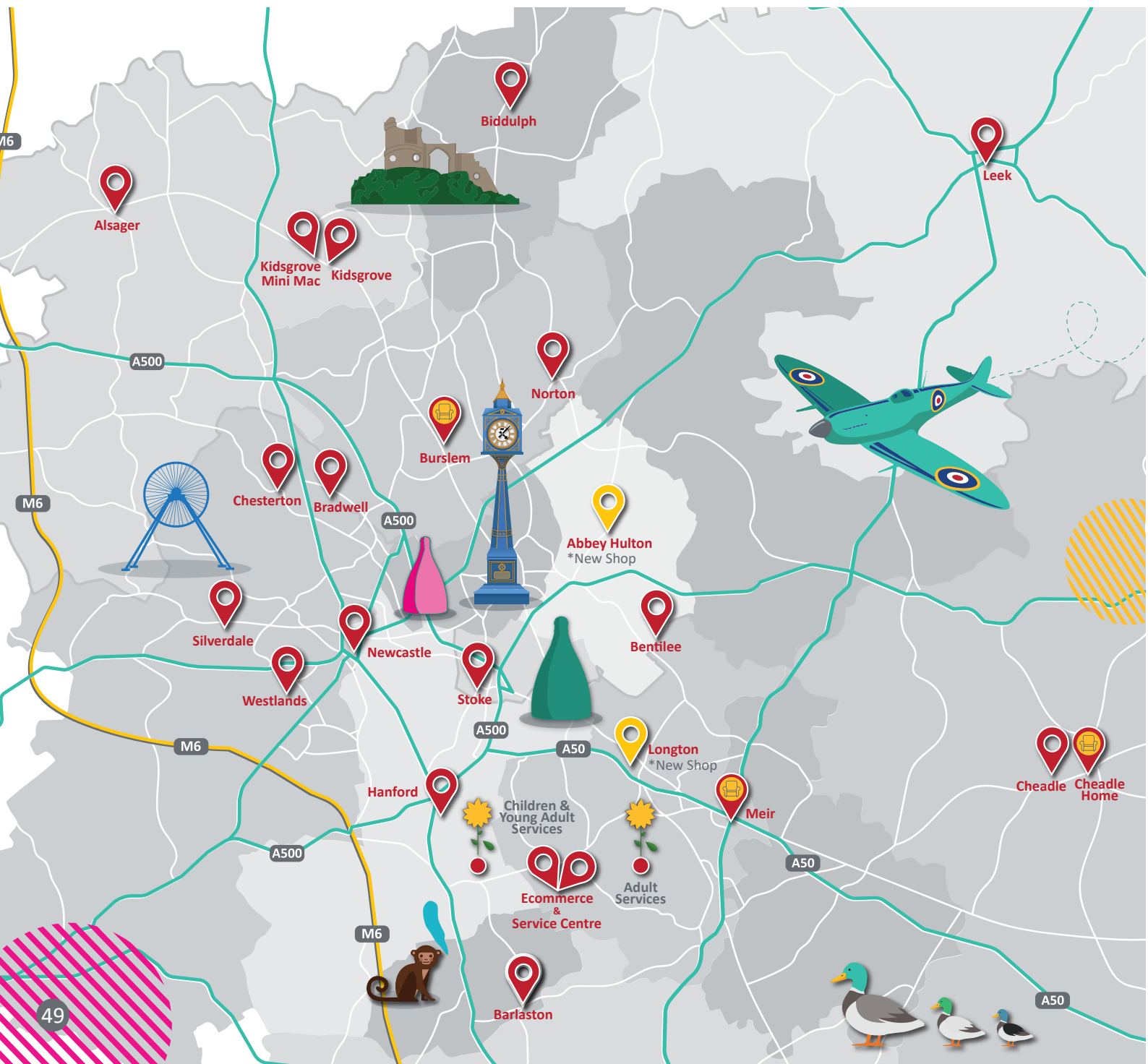
£2 scratch cards sold

Retail – £4,633,073

We opened our 21st Shop on 2nd November 2022 in Abbey Hulton. The local community welcomed us with open arms, **people** volunteered to help, donated items to sell and shopped with great gusto.

Dougie Mac Retail has grown significantly year on year and now generates more than a third of the total non-statutory income. We have a team of 78 staff and 453 volunteers across 21 shops, a Recycling Centre, an E-commerce Shop and a Central Operational Support Hub/Office.

They exemplify how teamwork makes the dream work. It really is astounding that from 1 shop which opened in 1994 on Piccadilly, Hanley, we have become one of the largest chains of retail shops in the area. This last year has been better than ever, all shops have had record breaking results outstripping previous year's sales - we could not do this without our kind donors and our loyal and generous customers. We endeavor to provide an excellent customer and donor experience. We pride ourselves in being the best charity retailer on the high street and in local communities and villages. All thanks to our brilliant staff and volunteers who every day show real passion and determination in the face of an increasingly challenging retail environment.





Team of the Year 2022/23 nominated by Hospice Staff.



Profitability



Kilos kept out of Landfill



Waste is recycled and reused



Hours Volunteered



People volunteer



Volunteer till transactions



Donated items sold



Av. price of an item

What's Next...

As our Dougie Mac @ 50 strategy came to an end in March 2023, the last 50 years were suitably celebrated. The future is bright as we embark on the hospice's next 3 year strategy.

Our strategic goals include:

Develop **environmental sustainability** approach in all areas of the hospice

Expand our response to the intensifying need for **dementia support**

Continue to **integrate** our **children and young adult services** to widen their impact

Recruit, retain and **develop** a compassionate, committed workforce

Tackle inequality in accessing specialist, end of life care

Continue the **growth** of our **Wellbeing Services**.

Reinforce our **financial stability** with effective cost management and income generation





Dougie Mac Hospice would like to sincerely thank everyone who donated, fundraised, volunteered or supported the hospice for the last 50 years.

Your generosity ensures the hospice is there to provide the very best specialist care to our local community when they need to.

Thank you

Trustees' Report & Financial Statements

For the year ended 31st March 2023



DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2023

Douglas Macmillan Hospice is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Officers

The current Trustees (Directors) and those who held office during the financial year to 31st March 2023 are listed below:

Mr D Platt (Chair)	Mrs S Evans (Vice Chair)
Mr K Brown	Mrs J Miller
Mrs J Neyt	Mrs M Rathbone
Ms L Rowley (resigned 11 August 2023)	Dr J Sissons
Dr E Slade	Mr T Stanway
Mrs K McKenzie	Mrs J Warren (appointed 16 November 2022)
Company Secretary	Mr D Webster
Chief Executive Officer	Mr D Webster
Director of Care	Mrs J McCartney
Director of HR & Support Services	Mrs C Hammond
Director of Income Generation	Mrs K McKenzie
Director of Finance	Mrs V Dean

Legal and Administrative Information

Company Number	3615904
Charity Number	1071613
Registered Office	Barlaston Road Stoke-on-Trent ST3 3NZ
Auditors	Geens Limited Chartered Accountants Graphic House 124 City Road Stoke-on-Trent ST4 2PH
Solicitors	Tinsdills Limited Hays House, 25 Albion Street Hanley Stoke-on-Trent ST1 1QF

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

As Chairman of the Board of Trustees of Douglas Macmillan Hospice it is my great pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 March 2023, on behalf of the hospices' Trustees who are also Directors of the charity for the purposes of the Companies Act 2006.

In celebrating our 50th anniversary in 2023 of its inception in 1973 "Dougie Mac" can claim to have had a formidable influence on the lives of many local people in our community who rely on our specialist palliative and end of life care. Reflecting on this landmark moment in the history of our hospice has enabled Trustees, staff and volunteers to not only celebrate our growth and our successes but to look ahead to an even more influential future. The turbulence in the NHS is well documented and as a financially robust hospice with capital strength underpinning our reputation for excellence in care, Dougie Mac is well placed to support our Integrated Care System in providing greater access to patient-centric palliative and End of Life care for which our hospice is renowned.

This theme of investing in our future is a major characteristic of the attached Financial Statements where the accumulated reserves of the previous two financial years have enabled Dougie Mac to expand our resources and enhance our clinical services. We have recruited more staff and devoted significant funds to strengthen our preparedness for the future. This is entirely intentional and does not diminish our financial resilience in any way. On the contrary as Trustees we have a responsibility to ensure that funds donated to Dougie Mac are allocated to the enrichment of our charitable purpose. Two examples of this service-expansion are particularly vivid; firstly, we have invested in the extension of our suite of Well Being services which had been curtailed during the Covid 19 pandemic. This reflects our commitment to holistic care and in operational terms means that more group sessions are available to patients living with a terminal illness (e.g. Motor Neurone Disease and Dementia) and a wider range of therapies are available for all our patients (e.g. physiotherapy, family support, counselling, complimentary therapies and lymphoedema). Secondly we have further invested in our childrens and young adult services, so that our "single hospice" ethos is reinforced and the very specialist nature of the care delivered via these services can be augmented with higher numbers of specialist staff. It is fitting and poignant that in our 50th anniversary year Dougie Mac is expanding to deliver an even greater impact in the years ahead.

To conclude this has been a truly remarkable year for Dougie Mac, glancing back at our illustrious history while getting ready to seize future opportunities. We are of course hugely reliant on our wonderful employees at the hospice, whose compassion and commitment invariably shines through, and on behalf of the Board of trustees and our Executive Directors I feel privileged to thank them and pay tribute to their magnificent work. I am particularly delighted to do so in my final year as Chairman of the Trustee Board. During 2023 Dougie Mac reached a new peak in employee engagement, cementing our determination to be a great place to work. For several years Dougie Mac hospice has sought to enhance employee engagement by participating in the Best Companies Survey. Our vision, mission and values focus on excellence in everything that we do and so it is logical to utilise Best Companies, who are recognised as engagement specialists to help us measure and enhance our employee engagement. During 2023 we reached an exceptional standard of employee engagement when we were awarded a 3 star accreditation, defined as a "world class" organisation to work for, and the highest accreditation available. This is testimony to the dedication and commitment of our staff, and shows the extent of values-driven focus on excellence across our hospice in which the Board of Trustees are immensely proud.

I have enjoyed the role of Chairman immensely and feel proud of our superb achievements during my tenure, but I am certain that Dougie Mac will continue to flourish and to spearhead the hospice care culture that is unique and much cherished.

FINANCIAL REVIEW

In the wake of the profound challenges posed by the COVID-19 pandemic and amidst a prevailing cost of living crisis, these financial results evidence the resilience and adaptability of our hospice. This report reflects the diligent efforts of our organisation in navigating a post-COVID landscape, where uncertainties and complexities continue to impact the healthcare industry.

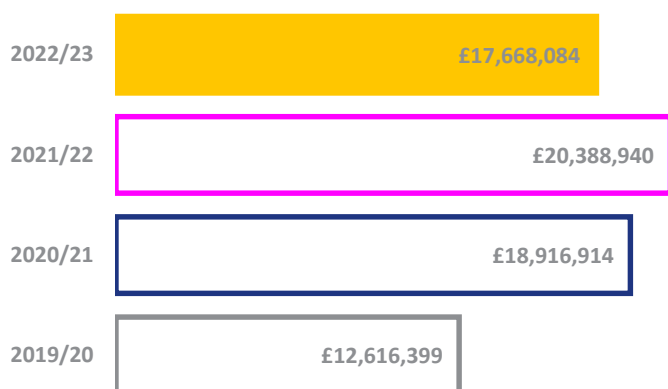
Despite these arduous headwinds, our financial performance has demonstrated remarkable stability and progress. Through prudent fiscal management and a dedicated workforce, we have not only weathered the storm but have also positioned ourselves for future growth and sustainability.

Income for the year ended 31 March 2023 fell by 13% with a variety of increases and decreases across the range of Dougie Mac income streams.

Statutory income from the local Integrated Care Board (ICB) remained relatively static at £2.9 million (2022:

£2.8 million) whilst funding to support the COVID-19 pandemic ceased. Investment income rose by 46% due to a compendium of high quality investments and a well-diversified investment portfolio, bank account interest rose exponentially as a result of rising interest rates; will we continue to see this upward trend? As we move through 2024 it is predicted that interest rates will peak towards the end of Q3.

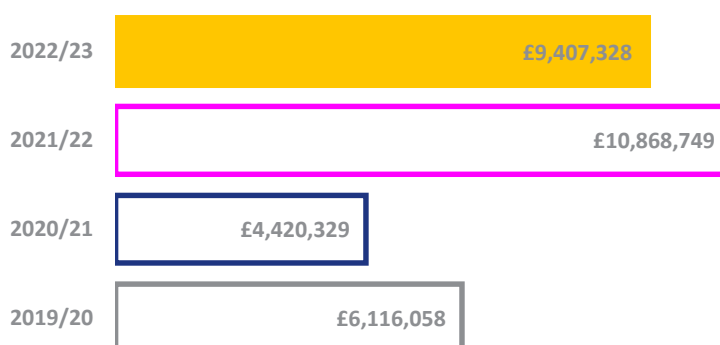
Total Income



Household budgets continue to be squeezed amid soaring inflation with society experiencing financial hardship forcing them to change their spending habits. Luckily for the Dougie Mac, our community of loyal and devoted donors and businesses have continued to support with their donations and gifts; 2022/23 saw just a 7% reduction in donated income.

Legacy income (Note 2) at the end of March 2022 included accrued legacy income of £1.8 million, the comparable figure for March 2023 was £1.4 million, a reduction of 22%; Legacy income received throughout the financial year was in line with budgeted pipeline expectations.

Contribution to the Hospice from raising funds



During 2022/23 Dougie Macs Retail business continued its pandemic bounce back with record breaking trading levels throughout the year. Income from commercial activities rose a staggering £1 million to £4.6 million, an impressive increase of 28%.

This year's results highlight the continuous incline of the hospices Retail trading income; our 21 shops have shown hearty resilience and robustness in a period of economic downturn, as shoppers seek more affordable options.

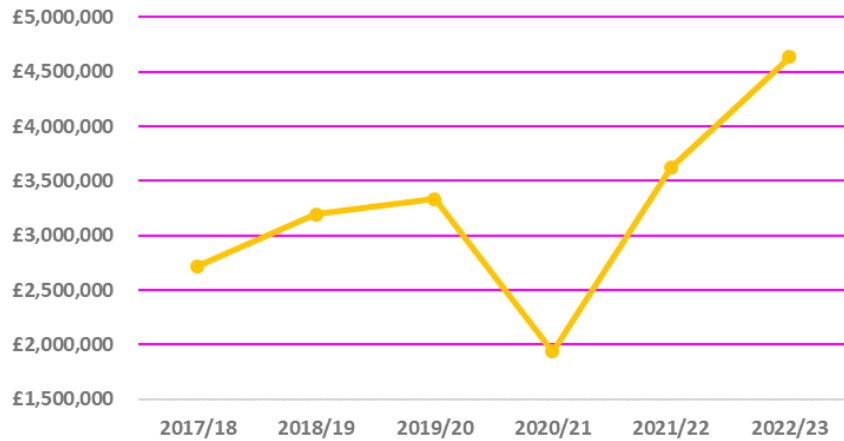
Unfortunately the year also saw a significant increase in costs across all outlets; staff costs soared by 28%, operational costs rose by 24% and Retail premises costs increased by 19%. Positively, the majority of the increase was linked to growth, however unavoidable surges in costs like energy and fuel disappointingly impacted profitability.

Recycling income and online trading continue to grow; with charity ecommerce flourishing, there is plenty of scope for further expansion. A recent relocation of these operations to a 19,500 square foot premises will ensure all unsaleable donated items are responsibly recycled and development of our online business can blossom.

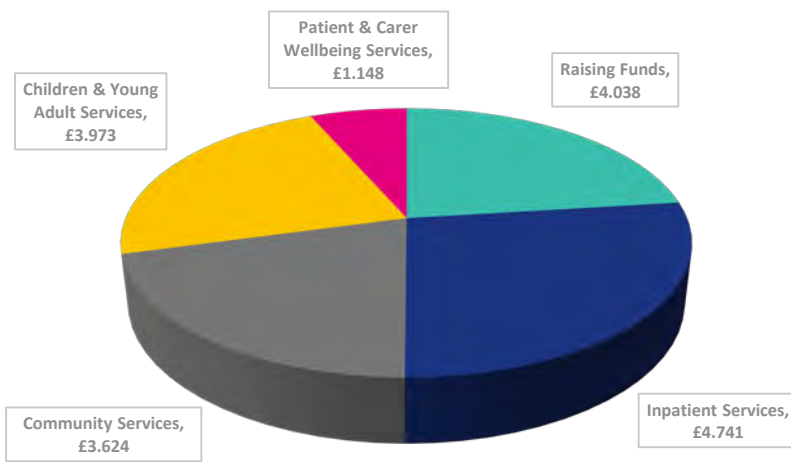
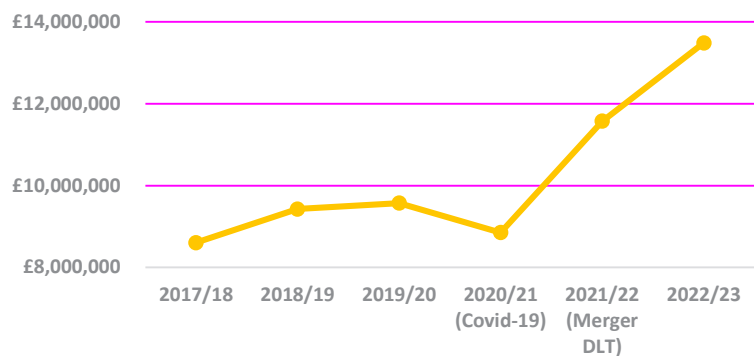
Against a backdrop of escalating costs in all areas, our unwavering commitment to negotiating and controlling expenditure has yielded commendable results, all whilst maintaining the highest standards of patient care.

In 2022/23 76% (2023: £13.2 million / 2022: £11.3 million) of expenditure was allocated to staff resources, of which 71% were employed within our clinical services.

Dougie Mac Retail Income



Expenditure on Clinical Services



Total Expenditure (in Millions)

This investment in our staff aims to bolster our ability to provide outstanding quality of care to more of the people within our community.

Of course this investment must be balanced with our ability to increase donated funding, a strategic approach is needed to ensure income generation keeps pace with expenditure, allowing us to sustainably grow our clinical services effectively.

DEFINED BENEFIT PENSION SCHEME

The actuarial gain in the pension fund is £0.5 million and is shown in the Statement of Financial Activities, The defined benefit pension scheme value stated in the balance sheet is £nil (2022 – liability £707,000). This is the value recommended by the scheme actuary in the pension valuation report. Movements in the pension schemes assets and liabilities and its impact on the hospice's financial position is monitored closely by the Hospice Trustees and also by the Trustees of the Federated Pension Scheme for the Douglas Macmillan Hospice.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION & ENERGY EFFICIENCY

As a local charity with our community at its heart, we are committed to minimizing the environmental impact of our work, being a greener charity and developing our environmental and sustainability strategy.

Dougie Mac Retail

Developing a practical and achievable environment strategy for our Retail business has involved the evaluation of many procedures within our charity shops, our focus is targeted towards the following five environmental priorities for the next three years:

1. Source and sell sustainable and eco-friendly products whenever possible
2. Implement energy-efficient practices in our stores for example, use LED lighting
3. Minimise waste by promoting recycling and encouraging customers to bring or buy reusable bags
4. Source and engage suppliers who adhere to ethical and sustainable practices
5. Consistently monitor our carbon footprint and identify ways to reduce emissions

This year we have focused on improving and achieving a wide variety of improvements across our 22 sites including:

- Increasing Retail income by 28% from £3.6 million in 2022 to £4.6 million; 87% of our income is generated from selling second hand donated goods at affordable prices
- Ensuring our bespoke Christmas card range meets FSC standards
- An ongoing rolling programme to install LED lighting throughout our Retail network alongside three energy compliance audits per year to identify ongoing issues and improvements
- The introduction of branded reusable bags with a shelf life of 3 years, we no longer purchase plastic carrier bags; our online sales packaging is a combination of recycled plastics and paper based alternatives to bubble wrap
- Making the switch to using eco-friendly cleaning supplies
- The use of computer software to plan and monitor safe and economical driving
- Relocation of our in-house Recycling Centre to a 19,500 square feet unit designed to underpin our quest to an environmentally friendly sustainable future

Energy Saving Opportunity Scheme

The Energy Savings Opportunity Scheme is a mandatory scheme requiring large UK businesses (250+ employees) to report on their energy use and identify possible ways to use less energy. Good progress has been made towards preparing the hospices latest ESOS detailed report as we edge towards the end of phase 3. The report will summarise our latest energy audit in which all the energy consumed between October 2022 and September 2023 is collated. The deadline for the report is June 2024 and we plan to enlist the services of an independent carbon management company to assist.

So far, for the period April 22 to March 23, we have collated the data linked with providing our clinical services for children, young adults & adults and also the energy consumption within our Retail business. Using the Governments Greenhouse Gas Reporting conversion factors 2022, we have then calculated the environmental impact of these areas in tonnes of CO₂e. Overall, it is estimated that these services combined produce 339 tonnes of CO₂e each year. The environmental impact of the Dougie Macs supply chain will be assessed in the ESOS Phase 3 report.

Location	Activity	Activity Data	Activity Data Units	Carbon conversion factors	Carbon footprint in kg CO2e
Children, Young Adult & Adult	Electricity	627,345	kWh	0.19	119,196
Children, Young Adult & Adult	Gas	772,669	kWh	0.18	139,080
Community	Clinical Services Travel	102,980	Miles	0.24	24,715
22 Retail premises	Electricity	280,815	kWh	0.19	53,355
22 Retail premises	Gas	17,202	kWh	0.18	3,096
Total kg CO2e					339,442
Total tonnes CO2e					339

OUR STRATEGIC VISION

The strategic priorities for Dougie Mac have recently been updated following the successful completion of those contained within the “DMH@50 Strategy”. 2023 – 2026 will focus on the following objectives, playing its part within the local health system, one that is perpetually under pressure. The next three years will see the Hospice seize every opportunity to expand, influence and play a more vigorous role in the emerging plans for palliative care delivery.

OUR STRATEGIC OBJECTIVES

1. To increase our impact by enhancing responsive and equitable access to all our clinical services, growing patient numbers evidenced through a series of KPI's
2. To stress our commitment to holistic care by expanding our Wellbeing services, embedding rehabilitative palliative care and enabling earlier access to hospice care
3. To achieve our organisational Vision of being regarded as a centre of excellence for palliative and end of life care by developing our clinical and medical staff to the highest standard of competence and attitudinal strength
4. To achieve and retain a Care Quality Commission (CQC) rating of Outstanding
5. To work collaboratively without diminishing our independence, and using our strong reserves to spearhead innovation
6. To capitalise on our “all age” hospice status by extending the reach of our children’s service and our young adults service, via resource investments throughout 2023 / 2024



STRUCTURE AND GOVERNANCE

Board of Trustees

The Board of Trustees is the governing body that administers the charity, sets the strategy, formulates policy and assesses procedures and risk management. The Board meets regularly and the trustees are directors of the company but none of the trustees has a beneficial interest in the company and all are unpaid volunteers.

Trustee Recruitment, Appointment and Induction

The existing trustees of Douglas Macmillan Hospice are empowered under the Articles of Association to elect new trustees at our Annual General Meeting and to make co-options at any other time. Succession planning for trustees is an important dimension of governance as is a blend of skills in the Board of Trustees, so new trustees are recruited in a variety of ways including external advertising and previous interest in and involvement with the Hospice. Additionally potential new trustees are invited to attend Board meetings as an observer to assist them on deciding whether to agree to a nomination as a trustee. New trustees receive a full induction programme over an extended period, including briefings with senior executives and visits to the various parts of the organisation to gain an appreciation of the mosaic of aspects which contribute to the success of Douglas Macmillan Hospice.

Subcommittees of the Board of Trustees

To assist in the smooth running of the charity the Board is supported by seven subcommittees each of which meets at appropriately regular intervals and are chaired by a member of the Board. These subcommittees are:

- ❖ Investments, Finance & Internal Audit (IFIA)
- ❖ People & Values (P&V)
- ❖ Clinical Governance & Professional Standards (CGPS)
- ❖ Corporate Governance (CG)
- ❖ DMH Staffordshire Enterprises Ltd Board (DMHSEL)
- ❖ DMH Staffordshire Lotteries Ltd Board (DMHSL)
- ❖ Information Governance (IG)
- ❖ Safeguarding

The trustees on each subcommittee have relevant interests and skills to ensure that they enhance the work of that committee. A scheme of delegation is in place so that day to day responsibility for the affairs of the charity, including all operational matters, rests with the Chief Executive Officer and the Executive team, which currently comprises:

- ❖ Chief Executive – David Webster
- ❖ Director of Care – Jeanette McCartney
- ❖ Director of Income Generation – Karen McKenzie
- ❖ Director of HR & Support Services – Cris Hammond
- ❖ Director of Finance – Vicki Dean

Both DMHSEL and DMHSL develop commercial activities to support the charity and each covenants its surplus to the charity, and results are included within the Consolidated Financial Statements.



Risk Management

Governance of Douglas Macmillan Hospice is underpinned by a transparent culture of risk evaluation and risk management, enabling the Board of Trustees to consider all risks, both stated and emerging, and fulfil their responsibility for risks faced by the charity. A risk register identifies the potential and actual risks, their nature, likelihood and impact and then outlines the measures taken to mitigate those risks. Trustees review the risk register formally at Board meetings as well as assessing and updating it at appropriate subcommittees. The main risks that the charity faces are:

a) **Financial Sustainability**

This is mitigated by our robust fundraising strategy; built over many years of successful expansions of donated income, and by cultivating excellent relationships with statutory funding partners in the local health economy.

b) **Reputation**

The Hospice is held in high regard by local people and stakeholder partners and has been so for 50 years but protecting and polishing our reputation requires mitigating actions, notably in ensuring that all our systems, processes and support lead to the successful recruitment retention and development of outstanding people.

c) **Recruitment**

A nationwide difficulty in recruiting registered nurses with the potential to hamper expansion plans. Recruitment initiatives, timely succession planning alongside well considered training and development plans will enable us to nurture our own talent. A strong people culture that focusses on our CARE values along with competitive pay, an attractive working environment and a person centred well-being programme will assist in retaining the calibre of staff required to deliver our strategic objectives.

d) **Governance**

Shortcomings in our evidencing of high standards of internal governance and robust evidence based decision making could damage the reputation of the hospice and potentially diminish the support of our local community. To mitigate this risk we are governed by a high performing Board of Trustees and Directors committed to extending the 50 year record of success at the DMH. A well-constructed infrastructure of sub-committees and subsidiary boards, fully aligned to the hospice strategy, also protects the charity.

Reserves Policy

Reserves are held to ensure that the charity has the ability to withstand any unforeseen drops in income, and to provide capital for future strategic growth, recognising that access to external capital is very limited. The Board of Trustees is satisfied that the current level of reserves provides an adequate buffer against risks that cannot be negated by other means, whilst underpinning the strategic plan for the future of the hospice.

Remuneration Policy

The People & Values subcommittee, which reports to the Board of Trustees, oversees all matters relating to executive remunerations and staff pay and benefits. External benchmarks and local market rates of pay are used as comparatives so that the Hospice can attract and retain high quality staff in both clinical and non-clinical roles. An annual appraisal process is in place to evaluate job performance at an individual level across the organisation.

Disabled Persons Policy

In terms of employment, the Hospice gives full and fair consideration to applications for employment from disabled persons, it is also committed to becoming more disability confident ensuring that disabled people, and those with lifelong health conditions, have the opportunities to fulfil their potential and realise their aspirations. We support the ongoing training and development of persons disabled prior to appointment or who become disabled following appointment.

Fundraising standards information

We maintain the highest standards of practice in fundraising activities by:

- ❖ Complying with all relevant law, regulations and codes of practice
- ❖ Registering with the Fundraising regulator
- ❖ Employing suitably qualified and experienced fundraising staff
- ❖ Treating the information that supporters provide us with in line with our Privacy Policy
- ❖ Never selling or sharing supporters personal information to a third party
- ❖ Maintaining clear governance and management controls for the legal, safe and transparent raising of funds from a diverse range of sources
- ❖ Providing policies and guidance for working with supporters who are in vulnerable circumstances
- ❖ Having clear rules for when donations are returned to donors
- ❖ Seeking to engage with a diverse community of supporters; and
- ❖ Preparing a report on fundraising activity, including a quarterly summary of complaints and action taken to address them

Trustees Responsibilities in Relation to Financial Statements


The charity's trustees, who are also the directors of Douglas Macmillan Hospice for the purposes of company law, are responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK generally accepted accounting practice).

Company law requires our trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and applications of resources, including the income and expenditure of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- ❖ Select suitable accounting policies and then apply them consistently
- ❖ Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- ❖ Make judgements and accounting estimates that are reasonable and prudent
- ❖ State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material expenditures disclosed and explained in the financial statements
- ❖ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the



group, and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from that in other jurisdictions.

In so far as the trustees are aware at the time of approving our trustees' report there is no relevant audit information of which our auditor is unaware, and trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information. It is customary to place a resolution at our AGM proposing the appointment of Geens Ltd as our auditors and trustees will do so in the knowledge stated above.

Approved by the trustees on 18 September 2023 and signed on their behalf by:



David Platt
Chairman of Board of Trustees

Opinion

We have audited the financial statements of Douglas Macmillan Hospice and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustee's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 62, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- we obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- we considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2023

The key procedures we undertook to detect irregularities, including fraud, during the course of the audit included:

- identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- assessing the extent of compliance, or lack of, with relevant laws and regulations.
- assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- obtaining third party confirmation of material bank balances.
- documenting and verifying all significant related party balances and transactions.
- reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable member's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



***Karen Staley FCA (Senior Statutory Auditor)
for and on behalf of Geens Limited***

18th September 2023

Chartered Accountants

Graphic House
124 City Road
Stoke on Trent
Staffordshire
ST4 2PH

Statutory Auditor

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £ 2023	Total funds £ 2022
<u>Income:</u>						
Donations and legacies	2	1,664,268	3,964,732	7,673	5,636,673	7,530,201
Charitable activities	3	3,954,376	-	-	3,954,376	5,851,037
Other trading activities	4	7,808,926	-	-	7,808,926	6,584,059
Investment income	5	263,346	-	-	263,346	104,028
Other	6	4,763	-	-	4,763	319,615
Total income		13,695,679	3,964,732	7,673	17,668,084	20,388,940
<u>Expenditure</u>						
Costs of raising funds	7	4,038,271	-	-	4,038,271	3,245,511
Charitable activities	8	12,219,671	1,265,715	-	13,485,386	11,575,470
Total expenditure		16,257,942	1,265,715	-	17,523,657	14,820,981
Net gains/ (loss) on investments	17	(436,546)	-	-	(436,546)	123,550
Net income / (expenditure)		(2,998,809)	2,699,017	7,673	(292,119)	5,691,509
Transfers between funds	25/26	1,763,622	(1,763,622)	-	-	-
Other recognised gains and (losses)						
Actuarial gain on defined benefit pension schemes	21	528,000	-	-	528,000	902,000
Net movement in funds		(707,187)	935,395	7,673	235,881	6,593,509
Reconciliation of funds:						
Fund balances brought forward		10,372,343	17,384,720	90,745	27,847,808	21,254,299
Fund balances carried forward		9,665,156	18,320,115	98,418	28,083,689	27,847,808

All of the above results were derived from continuing operations. All gains and losses recognised in the year are included above.
The notes on pages 70 to 87 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	16	9,000,864	9,001,074	9,000,864	9,001,074
Investments	17	8,699,788	9,153,108	8,699,792	9,153,112
		<u>17,700,652</u>	<u>18,154,182</u>	<u>17,700,656</u>	<u>18,154,186</u>
Current assets					
Stocks	18	9,034	4,588	-	-
Debtors	19	1,980,676	3,441,324	1,980,435	3,971,211
Cash at bank and in hand		9,664,979	8,199,130	9,492,769	7,322,106
		<u>11,654,689</u>	<u>11,645,042</u>	<u>11,473,204</u>	<u>11,293,317</u>
Creditors: amounts falling due within one year	20	<u>(1,271,652)</u>	<u>(1,244,416)</u>	<u>(1,131,266)</u>	<u>(922,361)</u>
Net current assets		<u>10,383,037</u>	<u>10,400,626</u>	<u>10,341,938</u>	<u>10,370,956</u>
Total assets less current liabilities being net assets excluding pension liability		<u>28,083,689</u>	<u>28,554,808</u>	<u>28,042,594</u>	<u>28,525,142</u>
Defined benefit pension scheme liability	21	-	(707,000)	-	(707,000)
Net assets including pension liability		<u>28,083,689</u>	<u>27,847,808</u>	<u>28,042,594</u>	<u>27,818,142</u>
Funds					
Income funds					
Restricted funds	25	98,418	90,745	98,418	90,745
Unrestricted funds: Designated funds	26	18,320,115	17,384,720	18,320,115	17,384,720
Other charitable funds		9,665,156	11,079,343	9,624,061	11,049,677
		<u>28,083,689</u>	<u>28,554,808</u>	<u>28,042,594</u>	<u>28,525,142</u>
Total funds excluding pension reserve		<u>28,083,689</u>	<u>28,554,808</u>	<u>28,042,594</u>	<u>28,525,142</u>
Pension reserve	21	-	(707,000)	-	(707,000)
Total funds		<u>28,083,689</u>	<u>27,847,808</u>	<u>28,042,594</u>	<u>27,818,142</u>

The Trustees acknowledge their responsibilities for complying with the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved by the Board on 18th September 2023 and agreed on their behalf by:



Mr D Platt - Chairman

The notes on pages 70 to 87 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
Net cash provided by operating activities	28	1,969,259	5,431,630	2,674,073	5,399,700
Cash flows from investing activities:					
Dividends, interest and rents from investments		263,346	104,028	263,346	104,028
Purchase of property, plant and equipment		(606,765)	(268,363)	(606,765)	(268,363)
Proceeds from sale of property, plant and equipment		-	-	-	-
Proceeds on sale of investments		4,882,731	(3,591,669)	4,882,731	(3,591,669)
Purchase of investments		(5,042,722)	1,758,184	(5,042,722)	1,758,184
Net cash used in investing activities		(503,410)	(1,997,820)	(503,410)	(1,997,820)
Change in cash and cash equivalents in the reporting period		1,465,849	3,433,810	2,170,663	3,401,880
Cash and cash equivalents at the beginning of the reporting period		8,199,130	4,765,320	7,322,106	3,920,226
Cash and cash equivalents at the end of the reporting period		9,664,979	8,199,130	9,492,769	7,322,106

The notes on pages 70 to 87 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1a) Basis of preparation

The financial statements have been prepared in accordance with the Charity's memorandum and articles of association, the Charities Act 2011 and the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

These group financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings for the year ended 31 March 2023 on a line by line basis. The trading results of the subsidiary undertakings are shown in note 13.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1b) Fund accounting

Unrestricted funds are available for use, at the discretion of the trustees, in furtherance of the general objectives of the charity and which have not been designated for other purposes:

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes.

1c) Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised in full when receivable and are included at fair value.

1 Accounting policies (continued)

1c) Income recognition (Continued)

Legacies are recognised when both entitlement to receive the income has been established and when it is probable that the income will be received. Receipt is assessed to be probable when there has been grant of probate, and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy. Legacies are measured at the fair value of income receivable based on available information.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

1d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the expenditure incurred related to fundraising activities and the costs relating to the trading subsidiaries;
- Expenditure on charitable activities includes the expenditure incurred relating to Inpatient Services, Medical, Community, Hospice at Home, Wellbeing, Learning and Development and Children and Young Adult Hospice Services; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include finance costs, governance costs, information technology costs, HR and reception costs, facilities and health and safety costs, non-attributable depreciation, and general overheads including the defined benefit pension scheme cost. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on an apportioned basis related to the expenditure as a percentage of total expenditure.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 9.

1f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

1 Accounting policies (continued)

1f) Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	3% p.a. straight line
Retail leased buildings works	20% p.a. straight line
Fixtures, fittings & equipment	25% p.a. straight line and reducing balance
Motor vehicles	25% p.a. reducing balance

1g) Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be reliably measured in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains/(losses) on investments' in the consolidated Statement of Financial Activities. Investments in subsidiaries are valued at cost less provision for impairment.

1h) Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in section 1c) above.

1i) Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Financial assets

Basic financial assets, which include debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including short term highly liquid investments are initially measured at fair value, with subsequent changes in fair value recognised in the Statement of Financial Activities. These include cash on deposit and cash equivalents with a maturity of less than one year.

Financial assets measured at amortised cost are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ii) Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

1i) Financial instruments (continued)

Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1k) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1l) Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also operates a defined benefit scheme which is closed to new members. The contributions made to the scheme are as recommended by the Scheme Trustees and the independent actuary. The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

1m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1n) Going concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval. The Trustees and executive team are constantly monitoring the position of the charity and at the balance sheet date the charity has healthy reserves and healthy cash balances. Under all scenarios reviewed, the Hospice has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

1o) Critical accounting judgements and key sources of estimation uncertainty

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

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

In preparing these financial statements, the Trustees have made judgements in determining the:

- value of accrued legacy income. The value depends on decisions regarding entitlement to the gift, probability of receipt and ability to value it with sufficient accuracy;
- impairment of tangible fixed assets. Factors taken in to consideration in reaching the decision include the availability of resources to continue service delivery at previous levels;
- useful economic life of tangible fixed assets. The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on future investments, economic utilisation and physical condition of the assets.
- application of going concern. The main judgement is the assessment of the group's cash and investment reserves and whether they were considered sufficient to meet operational commitments for the foreseeable future; and
- value of the pension obligation. The value depends on a number of factors, determined on an actuarial basis, using a number of estimated assumptions. The assumptions used in determining the valuation of the pension scheme obligation include the discount rate of 4.70% (2022: 2.70%), the Retail Prices Index (RPI) rate of 3.40% (2022: 3.90%) and the mortality rates. The discount rate is determined by considering the market yields on high quality corporate bonds, at the reporting date. Other assumptions are based on current market conditions. Additional information and relevant sensitivities are disclosed in note 21.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Donations and legacies

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and gifts	1,610,580	1,692,000	7,673	3,310,253	3,570,521
Legacies	-	2,272,732	-	2,272,732	3,905,992
Department of Health	53,688	-	-	53,688	53,688
	<u>1,664,268</u>	<u>3,964,732</u>	<u>7,673</u>	<u>5,636,673</u>	<u>7,530,201</u>

For the year ended 31 March 2022

Unrestricted funds	1,663,467
Designated funds	5,820,992
Restricted funds	45,742
	<u>7,530,201</u>

3 Income from charitable activities

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Charitable activities	<u>3,954,376</u>	-	-	<u>3,954,376</u>	<u>5,851,037</u>

For the year ended 31 March 2022

Unrestricted funds	4,029,349
Designated funds	-
Restricted funds	1,821,688
	<u>5,851,037</u>

Included within income relating to charitable activities are:

Integrated Care Board (Annual Grant)	2,890,199	2,787,717
NHS England COVID 19 (Via Hospice UK)	-	1,091,755
Wave 4 COVID 19 (Omicron) Support (ICB Funded)	-	729,933
	<u>2,890,199</u>	<u>4,609,405</u>

NHS England awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation.

4 Income from other trading activities

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Fundraising events	1,680,074	-	-	1,680,074	1,499,722
Income from commercial activities:					
- Charity shops	4,633,073	-	-	4,633,073	3,621,315
- Lottery	1,495,779	-	-	1,495,779	1,463,022
	<u>7,808,926</u>	<u>-</u>	<u>-</u>	<u>7,808,926</u>	<u>6,584,059</u>

For the year ended 31 March 2022

Unrestricted funds	6,584,059
Designated funds	-
Restricted funds	-
	<u>6,584,059</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5	Investment income	2023	2022
		£	£
	Income from listed investments	140,588	96,384
	Interest receivable	122,758	7,644
		<u>263,346</u>	<u>104,028</u>
	For the year ended 31 March 2022		
	Unrestricted funds		104,028
	Designated funds		-
	Restricted funds		-
			<u>104,028</u>

6	Other	2023	2022
		£	£
	Transfer of assets from The Donna Louise Trust	4,763	319,615

In March 2021 the services of The Donna Louise Trust, a local children and young adult hospice, were integrated in to the Douglas Macmillan Hospice. In connection with the integration of services assets with a value of £4,763 (2022 - £319,615) were transferred from The Donna Louise Trust to Douglas Macmillan Hospice.

7	Analysis of costs of raising funds	2023	2022
		£	£
	Fundraising Costs	562,172	417,207
	Costs of commercial activities:		
	- Charity shops	2,942,955	2,308,168
	- Lottery	533,144	520,136
		<u>4,038,271</u>	<u>3,245,511</u>
	For the year ended 31 March 2022		
	Unrestricted funds		3,245,511
	Designated funds		-
	Restricted funds		-
			<u>3,245,511</u>

8	Analysis of expenditure on charitable activities	Direct costs	Support costs	Total 2023	Total 2022
		£	£	£	£
	Inpatient Services	2,763,854	1,284,951	4,048,805	3,719,687
	Medical	569,140	277,904	847,044	775,044
	Community and Hospice at Home	2,228,344	1,127,530	3,355,874	3,081,097
	Wellbeing	738,397	353,022	1,091,419	938,602
	Learning and Development	170,675	55,045	225,720	125,572
	Children and Young Adult Hospice	2,647,961	1,268,563	3,916,524	2,935,468
		<u>9,118,371</u>	<u>4,367,015</u>	<u>13,485,386</u>	<u>11,575,470</u>
	Unrestricted funds			12,219,671	9,240,952
	Designated funds			1,265,715	512,830
	Restricted funds			-	1,821,688
				<u>13,485,386</u>	<u>11,575,470</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Allocation of support costs

	Inpatient Services £	Medical £	Community and Hospice at Home £	Wellbeing £
Governance	45,123	9,558	39,089	12,249
Finance	138,275	30,216	122,115	38,216
Information technology	195,803	41,589	169,909	53,240
HR & reception	219,330	46,960	191,264	59,910
Facilities & health and safety	273,111	59,566	240,906	75,398
Depreciation	180,293	37,405	154,214	48,371
General overheads	230,944	51,214	205,834	64,376
Defined benefit pension scheme	2,072	1,396	4,199	1,262
	<u>1,284,951</u>	<u>277,904</u>	<u>1,127,530</u>	<u>353,022</u>

Allocation of support costs (Continued)

	Learning & Development £	Children and Young Adult Hospice £	Total 2023 £
Governance	2,301	43,980	152,300
Finance	5,356	137,386	471,564
Information technology	9,774	191,169	661,484
HR & reception	10,264	215,193	742,921
Facilities & health and safety	10,788	271,034	930,803
Depreciation	10,625	173,517	604,425
General overheads	7,579	231,569	791,516
Defined benefit pension scheme	(1,642)	4,715	12,002
	<u>55,045</u>	<u>1,268,563</u>	<u>4,367,015</u>

Support costs are allocated in proportion to total expenditure. Salary, wages and related costs are allocated to the charitable activities undertaken on the basis of the direct salary, wages and related costs incurred by each charitable activities. Other non-salary support costs are allocated to the charitable activities undertaken on the basis of the total salary costs and direct costs incurred by each charitable activity.

10 Analysis of governance costs

		2023 £	2022 £
Salaries, wages and related costs	Allocated on time basis	38,832	34,584
Audit fees (parent company)	Cost incurred	10,025	9,500
Premises costs	1.125% of total premises costs	8,768	6,713
Overheads	10% of overheads not included above	94,198	74,447
		<u>151,823</u>	<u>125,244</u>

11 Net income / (expenditure) for the year

	2023 £	2022 £
Net income / (expenditure) is stated after charging:		
Depreciation	593,581	512,830
Loss on disposal of tangible fixed assets	10,844	786
Auditors' remuneration (group) - audit and accountancy services	16,325	15,400
Auditors' remuneration (group) - non audit services	3,820	7,714
Investment management fees	43,539	41,382
Operating lease charges - buildings	415,609	302,792

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Financial activities of the charity	2023	2022
	£	£
Gross income	17,092,292	19,835,575
Total expenditure on charitable activities	(13,100,023)	(11,163,865)
Fundraising costs	(4,038,271)	(3,245,511)
Unrealised gains/ (losses) on investment assets	(436,546)	123,550
Net income/ (expenditure)	(482,548)	5,549,749
Total funds brought forward excluding pension reserve	28,525,142	22,975,393
Total funds carried forward excluding pension reserve	<u>28,042,594</u>	<u>28,525,142</u>
Represented by:		
Unrestricted income funds	9,624,061	11,049,677
Designated income funds	18,320,115	17,384,720
Restricted income funds	98,418	90,745
	<u>28,042,594</u>	<u>28,525,142</u>

13 Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equity share capital:-

Name of subsidiary	Country of incorporation	% of equity share capital held
Douglas Macmillan Hospice Staffordshire Enterprises Limited	England & Wales	100
Douglas Macmillan Hospice Staffordshire Lotteries Limited	England & Wales	100

Douglas Macmillan Hospice Staffordshire Enterprises Limited

Summary of trading results	2023	2022
	£	£
Turnover	72,314	49,136
Total expenditure	(31,219)	(19,470)
Profit for the year	<u>41,095</u>	<u>29,666</u>

The turnover from this entity is consolidated within total charity shop income reported in note 4 of these accounts. All profits in this subsidiary are distributed to Douglas Macmillan Hospice after the year end.

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Enterprises Limited were:

Assets	54,841	35,222
Liabilities	(13,744)	(5,554)
Funds	<u>41,097</u>	<u>29,668</u>

Douglas Macmillan Hospice Staffordshire Lotteries Limited

Summary of trading results	2023	2022
	£	£
Turnover	1,495,779	1,463,022
Total expenditure	(533,144)	(520,136)
Profit for the year	<u>962,635</u>	<u>942,886</u>

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Lotteries Limited were:

Assets	1,274,461	1,263,117
Liabilities	(311,824)	(320,229)
Funds	<u>962,637</u>	<u>942,888</u>

14 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were:

	2023	2022
	£	£
Wages and salaries	10,868,886	9,286,573
Social security costs	987,131	796,099
Pension costs	1,386,943	1,225,905
	<u>13,242,960</u>	<u>11,308,577</u>

Termination payments amounting to £11,924 were made during the year.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2023	2022
	Number	Number
£60,001 to £70,000	2	2
£70,001 to £80,000	1	1
£80,001 to £90,000	1	-
£90,001 to £100,000	-	-
£100,001 to £110,000	-	2
£110,001 to £120,000	1	-
£120,001 to £130,000	1	-

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2023	2023	2022	2022
	Number	FTE	Number	FTE
Raising funds	123	108	109	94
Charitable activities	309	263	291	242
Governance	1	1	1	1
	<u>433</u>	<u>372</u>	<u>401</u>	<u>337</u>

The key management personnel of the charity comprise the members of its executive management team. The total employee benefits of the key management personnel of the charity were £600,519 (2022: £538,445).

The trustees neither received nor waived any remuneration during the year (2022:£Nil).

The trustees did not have any expenses reimbursed during the year (2022:£Nil).

The charity has received no donations with conditions from the trustees during the year (2022:£Nil).

15 Pension costs
FPS defined benefit scheme

The charity contributes to a defined benefit scheme and the details are in note 21.

Contributions are made in accordance with the annual recommendations of a qualified independent actuary.

The contributions to this scheme in the year were £Nil (2022: £Nil). Also during the year shortfall payments in respect of a recovery plan have been paid totalling £191,002 (2022: £190,998).

Contributions are also made to a second plan (FPS Federated Flexiplan) in accordance with actuarial recommendations.

NHS defined benefit scheme

The charity also contributes to the NHS Pension Scheme, which is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2023, is based on valuation data as At 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The contributions to this scheme in the year were £272,269 (2022: £291,175).

Aviva/Nest defined contribution schemes

The charity also contributes to defined contribution schemes in respect of employees who do not qualify for the FPS scheme or the NHS scheme.

The contributions to these schemes in the year were £927,021 (2022: £739,257).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16	Tangible fixed assets Group and company	Land and buildings	Fixtures, fittings & equipment	Total
		£	£	£
	Cost			
	At 1 April 2022	12,612,713	1,730,225	14,342,938
	Additions	113,398	493,367	606,765
	Disposals	-	(173,171)	(173,171)
	At 31 March 2023	12,726,111	2,050,421	14,776,532
	Depreciation			
	At 1 April 2022	3,976,546	1,365,318	5,341,864
	Charge for the year	405,565	188,016	593,581
	Disposals	-	(159,777)	(159,777)
	At 31 March 2023	4,382,111	1,393,557	5,775,668
	Net book value			
	At 31 March 2023	8,344,000	656,864	9,000,864
	At 31 March 2022	8,636,167	364,907	9,001,074

17	Fixed asset investments	Cash	Listed inv.	Total	2022
		£	£	£	£
	Market value at 1 April 2022	361,611	8,791,497	9,153,108	7,050,197
	Additional funds invested	-	-	-	2,000,000
	Additions at cost	(5,042,722)	5,042,722	-	-
	Disposals at carrying value	4,882,731	(4,882,731)	-	-
	Change in value in the year	-	(436,546)	(436,546)	123,550
	Other movement in cash balance	(16,774)	-	(16,774)	(20,639)
	Market value at 31 March 2023	184,846	8,514,942	8,699,788	9,153,108
	Historical cost at 31 March 2023	184,846	8,306,461	8,491,307	8,428,975

The following investments made up more than 5% each of the total market value of listed investments or bonds at 31 March 2023.

	2023	2022
	£	£
Fidelity UCITS ICA US Quality Income Fund	446,046	330,328
Maitland Institutional Services MI select Managers Fund UK	151,047	551,281
Maitland Institutional Services MI select Managers Fund North America	289,603	1,151,723
Vanguard Funds PLC S&P 500	463,787	845,350

Summary of Investments	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Investment in subsidiary companies	-	-	4	4
Other investments	8,699,788	9,153,108	8,699,788	9,153,108
	8,699,788	9,153,108	8,699,792	9,153,112

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18	Stock	Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
	Stock in hand	9,034	4,588	-	-
		<u>9,034</u>	<u>4,588</u>	<u>-</u>	<u>-</u>

19	Debtors	Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
	Trade debtors	48,994	244,663	48,994	244,663
	Amounts owed by subsidiary undertakings	-	-	-	733,810
	Other debtors	1,928,803	2,916,184	1,928,563	2,712,261
	Prepayments and accrued income	2,879	280,477	2,878	280,477
		<u>1,980,676</u>	<u>3,441,324</u>	<u>1,980,435</u>	<u>3,971,211</u>

20	Creditors: amounts falling due within one year	Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
	Trade creditors	288,852	294,822	279,051	292,184
	Amounts owed to subsidiary undertakings	-	-	182,208	-
	Other creditors	459,042	462,298	153,469	153,300
	Taxes and social security	246,863	212,522	246,863	212,522
	Accruals and deferred income	276,895	274,774	269,675	264,355
		<u>1,271,652</u>	<u>1,244,416</u>	<u>1,131,266</u>	<u>922,361</u>

21	Pension and other post-retirement benefit commitments	Defined benefit pension plans	
		2023	2022
	Employee benefit obligations	£	£
	a) The amounts recognised in the balance sheet are as follows:		
	Present value of funded obligations	7,441,000	10,090,000
	Fair value of plan assets	(8,031,000)	(9,383,000)
	Surplus not recognised	590,000	-
	(Surplus)/ Deficit	<u>-</u>	<u>707,000</u>
	Net pension (asset)/ liability recognised before tax	<u>-</u>	<u>707,000</u>

In response to volatility in asset values and corporate bond yields and uncertainty related to some key assumptions underpinning the pension scheme valuation the trustees are of the opinion that it is prudent to not recognise the pension scheme surplus of £590,000 and therefore the net pension scheme asset stated in these accounts is £nil.

b) The amounts recognised in the statement of financial activities are as follows:

Current service cost included in staff costs within total resources expended	-	-
Past service cost	29,000	25,000
	<u>29,000</u>	<u>25,000</u>
Net pension finance costs included within total resources expended:		
Interest on obligation	267,000	224,000
Expected return on pension scheme assets	(251,000)	(190,000)
	<u>16,000</u>	<u>34,000</u>
Total	<u>45,000</u>	<u>59,000</u>
Actual return on scheme assets over the period	<u>(1,206,000)</u>	<u>575,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Pension and other post-retirement benefit commitments (continued)

c) Included with other recognised gains and losses:

	2023	2022
	£	£
Return on assets, excluding interest income	(1,457,000)	385,000
Impact of surplus restrictions	-	-
Change in irrecoverable surplus	-	-
Actuarial gains/(losses) on liabilities	2,575,000	517,000
Pension scheme surplus not recognised	(590,000)	-
	<u>528,000</u>	<u>902,000</u>

d) Changes in the present value of the scheme liabilities:

	2023	2022
	£	£
Opening liabilities	10,090,000	11,497,000
Current service cost	-	-
Past service cost	29,000	25,000
Interest cost	267,000	224,000
Contribution by scheme participants	-	-
Actuarial (gains) / losses	(2,575,000)	(517,000)
Benefits paid (including payments to and on account of leavers)	(370,000)	(1,139,000)
	<u>7,441,000</u>	<u>10,090,000</u>

e) Changes in fair value of the scheme assets:

	£	£
Opening fair value of scheme assets	9,383,000	9,760,000
Interest income	251,000	190,000
Actuarial (losses)/ gains on assets	(1,457,000)	385,000
Contributions by employer	246,000	187,000
Expenses paid	(22,000)	-
Benefits paid (including payments to and on account of leavers)	(370,000)	(1,139,000)
	<u>8,031,000</u>	<u>9,383,000</u>

f) The major categories of scheme assets are as follows:

	2023	2022
	£	£
Equity	2,738,000	3,350,000
Bonds	1,202,000	1,391,000
Diversified funds	2,768,000	3,447,000
LDI	1,248,000	1,146,000
Cash	62,000	34,000
Annuity contracts	13,000	15,000
	<u>8,031,000</u>	<u>9,383,000</u>

g) Principal actuarial assumptions used by the actuary at the balance sheet date

	2023	2022
	%	%
Discount rate at 31 March	4.70	2.70
Rate of inflation (RPI)	3.40	3.90
Rate of inflation (CPI)	3.00	3.50
Rate of salary increase	2.50	2.50
Rate of increase to pensions in payment		
- Pre 1997 (Discretionary)	0.00	0.00
- 1997 - 2009 (RPI max 5%)	3.30	3.70
- Post 2009 (RPI max 2.5%)	2.25	2.35

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Pension and other post-retirement benefit commitments (continued)**g) Principal actuarial assumptions used by the actuary at the balance sheet date (continued)**

Expected life expectancies on retirement at age 65 are:	2023 Years	2022 Years
Males retiring immediately	19.10	20.00
Females retiring immediately	22.70	23.30
Males retiring in 20 years time	20.80	21.70
Females retiring in 20 years time	24.60	25.20

22 Financial commitments**Commitments under operating leases**

As at 31 March 2023 the group was committed to making the following payments under non-cancellable operating leases as set out below:

	2023 Land & buildings £	2023 Other £	2022 Land & buildings £	2022 Other £
Group and company:				
Operating leases which expire:				
Within one year	439,940	55,638	339,514	44,371
Between two and five years	878,902	100,366	610,630	28,938
After five years	-	-	3,125	-
	<u>1,318,842</u>	<u>156,004</u>	<u>953,269</u>	<u>73,309</u>

23 Capital commitments

	Group and Company 2023 £	Group and Company 2022 £
Contracted, not provided for	-	-
	<u>-</u>	<u>-</u>

24 Company limited by guarantee

Douglas Macmillan Hospice is a company limited by guarantee and accordingly does not have share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes:

	Movement in funds				Balances at 31 March 2023 £
	Balances at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	
Other specific purposes	90,745	7,673	-	-	98,418
	90,745	7,673	-	-	98,418

Purposes of the funds

Specific purposes represents various donations made where the donors have asked that the monies be utilised to fund a specific aspect of the hospice's activities or to purchase particular items of equipment.

26 Designated funds

The income funds of the charity includes the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balances at 31 March 2023 £
	Balances at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	
Fixed assets fund	9,001,074	-	(593,581)	593,371	9,000,864
Legacy equalisation fund	6,468,646	2,272,732	-	(2,356,993)	6,384,385
Young adult hospice fund	1,915,000	1,692,000	(672,134)	-	2,934,866
	17,384,720	3,964,732	(1,265,715)	(1,763,622)	18,320,115

The fixed assets fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of all assets.

The legacy equalisation fund has been designated by the trustees to provide for expenditure in future years. The trustees recognise the unpredictable nature of this source of income and have set aside funds to provide for expenditure not covered by income from other sources.

The young adult hospice fund relates to funding from the Denise Coates Foundation towards the on-going running costs of the young adults' hospice.

The transfer to the fixed asset fund is in respect of fixed asset additions in the year now designated by the trustees as part of the fixed asset fund and also fixed assets transferred from restricted funds.

The transfer from the legacy fund is to reflect the amount transferred to unrestricted income previously designated by the trustees. The amount is calculated on the multi year average of legacy income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

27 Analysis of group net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:				
Tangible fixed assets	-	9,000,864	-	9,000,864
Investments	8,699,788	-	-	8,699,788
Current assets	2,237,020	9,319,251	98,418	11,654,689
Current liabilities	(1,271,652)	-	-	(1,271,652)
	9,665,156	18,320,115	98,418	28,083,689
Pension reserve	-	-	-	-
Group net assets	9,665,156	18,320,115	98,418	28,083,689

28 Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Net income for the reporting period	235,881	6,593,509	224,452	6,579,748
Adjustments for:				
Depreciation charges	593,581	512,830	593,581	512,830
Loss on disposal of tangible fixed assets	13,394	786	13,394	786
(Increase)/ decrease in investment cash balance	176,765	(145,876)	176,765	(145,876)
Gains/ (deficit) on investments	436,546	(123,550)	436,546	(123,550)
Actuarial gains	(528,000)	(902,000)	(528,000)	(902,000)
Dividends, interest and rents from investments	(263,346)	(104,028)	(263,346)	(104,028)
Difference between pension charge and cash contributions	(179,000)	(128,000)	(179,000)	(128,000)
(Increase)/ decrease in stocks	(4,446)	(1,514)	-	-
(Increase)/ decrease in debtors	1,460,648	(529,684)	1,990,776	(542,805)
Increase/ (decrease) in creditors	27,236	259,157	208,905	252,595
Net cash provided by operating activities	1,969,259	5,431,630	2,674,073	5,399,700

29 Analysis of net cash balances

	1 April 2022 £	Cash flow £	Non-cash changes £	31 March 2023 £
Cash at bank and in hand	8,199,130	1,465,849	-	9,664,979
Fixed asset investments	9,153,108	(16,774)	(436,546)	8,699,788
	17,352,238	1,449,075	(436,546)	18,364,767

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

30 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
Financial assets					
Measured at fair value through net income / expenditure:					
Fixed asset listed investments	17	8,699,788	9,153,108	8,699,792	9,153,112
Debt instruments measured at amortised cost:					
Trade debtors	19	48,994	244,663	48,994	244,663
Amounts owed by subsidiary undertakings	19	-	-	-	733,810
Other debtors	19	1,928,803	2,916,184	1,928,563	2,712,261
		<u>1,977,797</u>	<u>3,160,847</u>	<u>1,977,557</u>	<u>3,690,734</u>
Financial liabilities					
Measured at amortised cost					
Trade creditors	20	288,852	294,822	279,051	292,184
Amounts owed to subsidiary undertakings	20	-	-	-	-
Other creditors	20	459,042	462,298	153,469	153,300
Taxes and social security	20	246,863	212,522	246,863	212,522
Accruals and deferred income	20	276,895	274,774	269,675	264,355
		<u>1,271,652</u>	<u>1,244,416</u>	<u>949,058</u>	<u>922,361</u>

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
Financial assets measured at fair value through net income / expenditure	17	(436,546)	123,550	(436,546)	123,550

31 Related party transactions

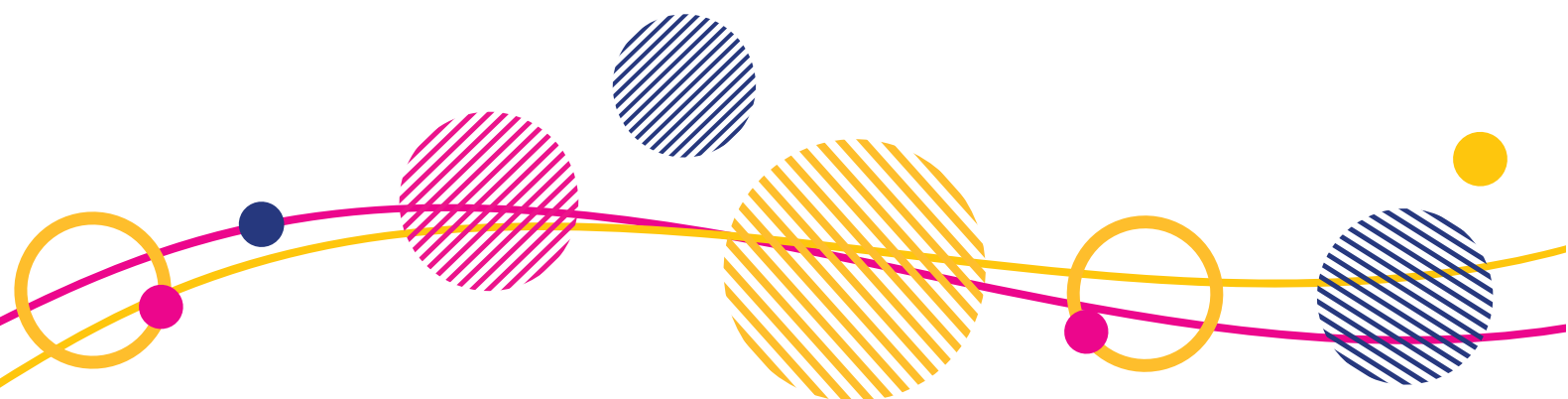
There were no related party transactions during the year (2022: £Nil).

Adult Services

Barlaston Road
Blurton
Stoke-on-Trent
ST3 3NZ
01782 344300

Children and Young Adult Services

Grace Road
Trentham
Stoke-on-Trent
ST4 8FN
01782 654440



 www.dougiemac.org.uk

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 /DMHospice

 /DougieMacHospice

 /DougieMacStoke

DOUGLAS MACMILLAN HOSPICE

England & Wales - Charity number 1071613

Accounts



Douglas Macmillan Hospice

**Trustees' report & financial
statements for the year
ended 31st March 2022**

Charity Registration No. 1071613
Company Registration No. 03615904 (England & Wales)



Our Vision is... to be admired as a centre of excellence for palliative and end of life care.

Our Mission is... to respond to the increasing needs of those in our care across our heartland by growing as a sustainable organisation delivering outstanding value for money for all our funding sources and always remaining true to our core values.

Our Values are...



Compassion

Working together by considering the views of others, understanding the challenges they face and providing support.



Accountability

Taking personal responsibility for our actions, owning our decisions and behaviours.



Respect

Always trusting, listening and challenging each other. Understanding that we are at our best as individuals whilst working as a team.



Excellence

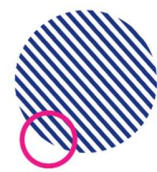
Embracing excellence by empowering and motivating each other to be the best that we can be.



DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

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DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2022

Douglas Macmillan Hospice is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Officers

The current Trustees (Directors) and those who held office during the financial year to 31st March 2022 are listed below:

Mr D Platt (Chair)
Mr K Brown
Mrs J Neyt
Ms L Rowley
Dr E Slade
Mrs K McKenzie

Mrs S Evans (Vice Chair)
Mrs J Miller
Mrs M Rathbone
Dr J Sissons
Mr T Stanway

Company Secretary
Chief Executive Officer
Director of Care
Director of HR & Support Services
Director of Income Generation
Director of Finance

Mr D Webster
Mr D Webster
Mrs J McCartney
Mrs C Hammond
Mrs K McKenzie
Mrs V Dean

Legal and Administrative Information

Company Number
Charity Number
Registered Office

3615904
1071613
Barlaston Road
Stoke-on-Trent
ST3 3NZ

Auditors

Geens Limited
Chartered Accountants
68 Liverpool Road
Stoke-on-Trent
ST4 1BG

Principal Bankers

Lloyds Banking Group
46 High Street
Newcastle-under-Lyme
ST5 1QY

Solicitors

Tinsdills Limited
Hays House, 25 Albion Street
Hanley
Stoke-on-Trent
ST1 1QF



DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

As Chairman of the Trustee Board of Douglas Macmillan Hospice it is my great pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 March 2022, on behalf of the Board of Trustees who are also Directors of the charity for the purposes of the Companies Act 2006.

Douglas Macmillan Hospice, better known colloquially as Dougie Mac, was formed in 1973 and as we progress towards our 50th birthday in the Spring of next year it is gratifying to reflect on such an outstanding past year for our hospice, both in terms of financial sustainability and in regard to the impact our clinical services have had on our local community. Dougie Mac continues to evolve, to grow and to innovate; characteristics which would certainly resonate with the founders of the hospice back in 1973.

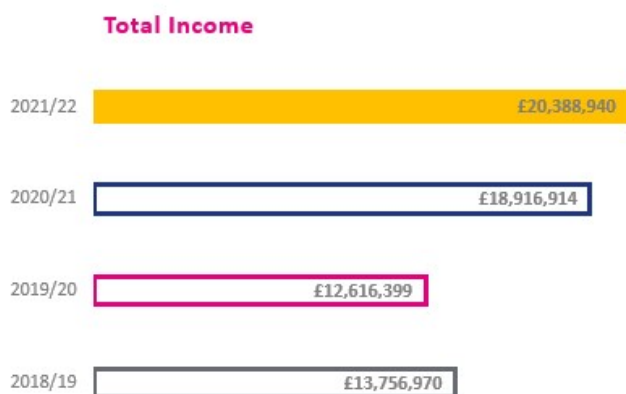
At the heart of that evolution has been the integration of the childrens and young adults services following the formal merger of The Donna Louise Trust into Dougie Mac in March 2021. Our apex goal is to create a formidable "single hospice" (on two sites) delivering outstanding care to those in need of our expertise whether they are infants or elderly, and to do so with the core hospice values, professionalism and robust financial disciplines which have served Dougie Mac so well. The hospice Trustees chose to retain the name "The Donna Louise" for the childrens hospice to distinguish the unique nature of childrens hospice care. Retaining this name is favored by the families of those children who use our services and it underlines the child-friendly dimension of our hospice. Weaving those services that are tailored to children and young adults into the clinical services traditionally delivered by Dougie Mac has been facilitated by successfully creating "single hospice" support functions such as Marketing, IT, HR, Fundraising, Finance and Executive Leadership. This in turn has led to significant cost savings in back office overheads allowing us to invest more in our clinical teams. Consequently our childrens and young adult services have blossomed during this past financial year, with the return to 7 Day opening at the childrens unit and the opening of the Young Adult unit for day visits and overnight respite.

Alongside this transformational evolving of Dougie Mac this year, we have also successfully navigated the inevitable post-Covid19 turbulence and have coped admirably with the aftermath of the pandemic. Most of our clinical services have seen a rise in patient numbers symbolic of a more typical year. For instance, community visits by our Palliative Care Nurse Specialists rose to 8840 (2020/21: 5198), we do however recognize that we still have some way to go to reach the peak activity level of 2019/20 where 14,594 community visits were made. Our 24/7 Advice Line continues to thrive with 12,419 calls received this year, a 24% uplift on the previous year. Interestingly our In Patient Unit recorded 268 admissions this year which is around 60% of normal capacity, but this reflects the enduring uncertainty throughout the year across our health care system, and acts as a platform for the current work we are undertaking with colleagues in the health sector to reinforce our role as a collaborating partner in the emerging Integrated Care System.

To conclude, this past year has been hugely successful for Dougie Mac and immensely satisfying for our Board of Trustees and for the Executive Leadership team at the hospice. We all feel hugely indebted to our magnificent staff for their commitment, compassion and tenacity during a year of relentless change and rebalancing of priorities. Thriving through periods of change is a hallmark of a successful, contemporary organisation and Dougie Mac has received several prestigious awards in recent times for our culture and our engagement with staff. Such accolades simply confirm what the hospice Trustees already know, that Dougie Mac is a very special place, with an authentic vision for our future beyond our 50th birthday next year.

Financial Review

The financial statements for the year have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2015) and comply with all statutory requirements and the hospice's governing document. The financial statements consolidate the results of Douglas Macmillan Hospice and its trading subsidiaries.



At the end of another challenging year Trustees of the Dougie Mac are pleased to report an exceptional financial performance that far exceeded our expectations. During the 12 months to 31 March 2022 we're delighted to report a net increase to overall funds for the year of £6.6 million (2020/21: £9.1 million increase) and an overall funds balance of £27.8 million at 31 March 2022 (£21.2 million at 31 March 2021).

Total consolidated income for the year was £20.3 million, an increase of £1.5 million on the previous year. Total consolidated expenditure increased by £3.2 million from 2020/21 (£11.6 million) to £14.8 million. From an operating perspective, 2021/22 showed a surplus of £5.6 million before investment gains and pension liability movements of £1 million (2020/21: £1.8 million gain); the reasons for this are outlined below.

The Statement of Financial Activities is set out on page 12 of these financial statements, the financial position of the group is set out in the balance sheet on page 13. The Reserves Policy relating to the funds held by the hospice is described in the Reserves Policy on page 7.

INCOME AND EXPENDITURE

Subsequent to a reformed income generating strategy focused on post-COVID fundraising trends, unrestricted donations from our dependable and generous local supporters increased by 9% to £1.7 million (2020/21: £1.5 million); Legacy income more than doubled to an unprecedented high of £3.9 million (2020/21: £1.8 million).

Unrestricted Donations

£1.66m

9% ▲ from last year

Retail

£3.6m

9% ▲ from
pre-pandemic levels

In 2021/22 we were able to welcome shoppers through our charity shop doors safely again. Limits on the number of people in store at one time were gradually relaxed, volunteers made a phased return to their pre-COVID roles and "normal" opening hours resumed. As the financial year progressed our Retail income continued to grow, hitting a record breaking high of £3.6 million by the end of the year, a 9% increase on pre-pandemic levels.

Lottery had another solid year furthering its rebound from Covid-19. The continuing successful recruitment of new lottery members resulted in an increase in income of 9%, and a subsequent net profit of £942,886 (2020/21: £894,777), an increase of 5%.

Fundraising Events

£1.5m

11% ▲ from pre-pandemic levels

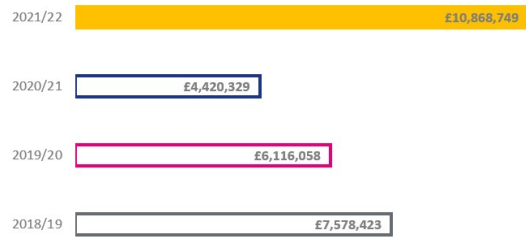
Despite the ongoing, challenging fundraising environment, and thanks to the hard work and commitment of staff, the overall contribution towards hospice running costs from all of Dougie Macs income generating areas was £10.8 million net of costs, a notable recovery from 2020/21 and a 77% increase from pre-pandemic levels. 2022 is looking promising and we are confident that our diversification of income streams will continue to deliver a significant contribution towards funding our clinical strategy and steer us safely to our 50th birthday.

Everyone at the Dougie Mac sends their heartfelt thanks for the unwavering support we continue to receive from our community; without your steadfast backing we could not achieve our mission of responding to the increasing needs of those in our care across our heartland.

Income from Charitable Activities

Once again the pandemic placed enormous stress on an already fragile healthcare system and Dougie Mac staff were at the forefront of that battle continuing to care for our patients and their families, whilst also easing the burden on the NHS. As a result, NHS England supported the Hospice with just over £1 million emergency funding enabling the hospice to make available bed capacity and provide much needed community support for the period December 2021 to March 2022. The hospice was also fortunate to receive a further £730k in emergency funding to support the NHS during the Omicron wave of the pandemic. Our annual grant from NHS Clinical Commissioning Groups (CCGs) fell by 6% to £2.8 million (2020/21: £3.0 million) meaning our statutory income amounts to just 14% of total income for the year (2020/21: 16%); funding pressures continue to exist in the NHS with inflationary cost increases not being matched by increases in charitable activity funding.

Contribution to the Hospice from raising funds

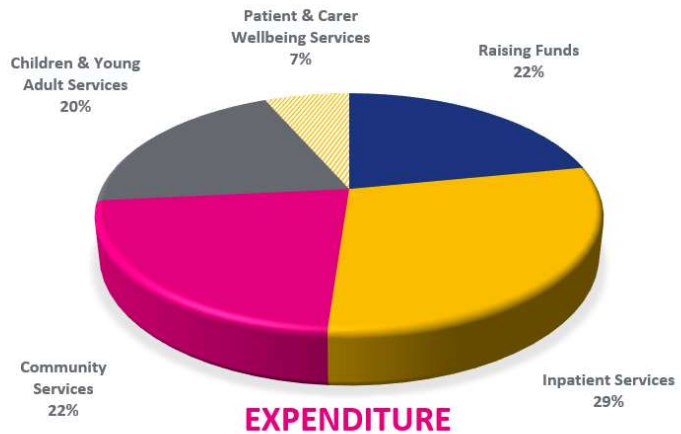


Expenditure

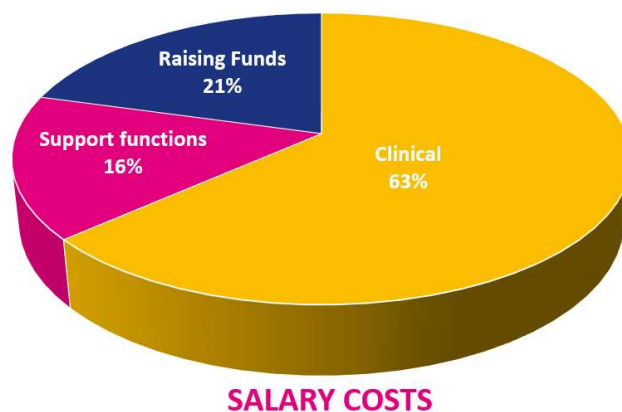
As an amalgamated single hospice over two sites, the support costs of providing organisational services such as IT, HR, facilities maintenance, Marketing, Finance, Learning & Development, Governance and Executive Leadership are now spread across 401 members of staff (2020/21: 339) and 800 volunteers.

78% of expenditure for 2021/22, £11.5 million (2020/21: £8.9 million), was spent on providing our clinical services, 22%, or £3.2 million (2020/21: £2.8 million), was the costs incurred in raising funds for the two hospice sites.

Staff costs equated to 76% of total expenditure, of which 63% were clinical salaries. A detailed breakdown of costs is set out in notes 7 to 10 and notes 14 to 15.



On the whole, following the merger between Douglas Macmillan Hospice and Donna Louise Trust, costs have increased by 27% to 14.8 million. 2022/23 will see costs increase further as we expand our clinical services, mainly our services for young adults, but as a well-capitalised hospice with substantial cash-flows and an outstanding reputation for clinical care, Dougie Mac is well placed to continue to make a formidable contribution to the health economy in our heartland.



Defined Benefit Pension Scheme

The actuarial gain in the pension fund is £0.9 million and is shown in the Statement of Financial Activities, the pension scheme liability in the balance sheet has fallen by £1.0 million since 2020/21. The pension liability and its impact on the hospice's financial position is monitored closely by the Hospice Trustees and also by the Trustees of the Federated Pension Scheme for the Douglas Macmillan Hospice.

OUR STRATEGIC VISION

The strategic priorities for Dougie Mac are cemented into our DMH@50 Strategic Plan which visualises the intended progress of the hospice as we look towards our 50th birthday in 2023. These are:

- To maintain and enhance the quality of holistic personalised care for all our patients
- To strengthen the long term financial sustainability of the hospice
- To extend our impact on the local health economy by collaborating with other providers
- To improve access to hospice care for extended groups by greater integration in our local community
- To continue to develop our compassionate, committed, professional workforce
- To mould our response to the intensifying need for support and palliative care for people living with dementia
- To further integrate and revitalise our children and young adult services

2021/22 has seen an increase in demand for all our clinical services and as we edge closer to our 50th year we anticipate demand to increase further. Our DMH@50 strategic plan has been refreshed to include the children's hospice care and our young adult service, both of which will extend the reach and impact of Dougie Mac.

STRUCTURE AND GOVERNANCE

Board of Trustees

The Board of Trustees is the governing body that administers the charity, sets the strategy, formulates policy and assesses procedures and risk management. The Board meets regularly and the trustees are directors of the company but none of the trustees has a beneficial interest in the company and all are unpaid volunteers.

Trustee Recruitment, Appointment and Induction

The existing trustees of Douglas Macmillan Hospice are empowered under the Articles of Association to elect new trustees at our Annual General Meeting and to make co-options at any other time. Succession planning for trustees is an important dimension of governance as is a blend of skills in the Board of Trustees, so new trustees are recruited in a variety of ways including external advertising and previous interest in and involvement with the Hospice. Additionally potential new trustees are invited to attend Board meetings as an observer to assist them on deciding whether to agree to a nomination as a trustee. New trustees receive a full induction programme over an extended period, including briefings with senior executives and visits to the various parts of the organisation to gain an appreciation of the mosaic of aspects which contribute to the success of Douglas Macmillan Hospice.

Subcommittees of the Board of Trustees

To assist in the smooth running of the charity the Board is supported by seven subcommittees each of which meets at appropriately regular intervals and are chaired by a member of the Board. These subcommittees are:

- ❖ Investments, Finance & Internal Audit (IFIA)
- ❖ People & Values (P&V)
- ❖ Clinical Governance & Professional Standards (CGPS)
- ❖ Corporate Governance (CG)
- ❖ DMH Staffordshire Enterprises Ltd Board (DMHSEL)
- ❖ DMH Staffordshire Lotteries Ltd Board (DMHSSL)
- ❖ Information Governance (IG)
- ❖ Safeguarding


The trustees on each subcommittee have relevant interests and skills to ensure that they enhance the work of that committee. A scheme of delegation is in place so that day to day responsibility for the affairs of the charity, including all operational matters, rests with the Chief Executive Officer and the Executive team, which currently comprises:

- ❖ Chief Executive – David Webster
- ❖ Director of Care – Jeanette McCartney
- ❖ Director of Income Generation – Karen McKenzie
- ❖ Director of HR & Support Services – Cris Hammond
- ❖ Director of Finance – Vicki Dean

Both DMHSEL and DMHSSL develop commercial activities to support the charity and each covenants its surplus to the charity, and results are included within the Consolidated Financial Statements.

Risk Management

Governance of Douglas Macmillan Hospice is underpinned by a transparent culture of risk evaluation and risk management, enabling the Board of Trustees to consider all risks, both stated and emerging, and fulfil their responsibility for risks faced by the charity. A risk register identifies the potential and actual risks, their nature, likelihood and impact and then outlines the measures taken to mitigate those risks. Trustees review



the risk register formally at Board meetings as well as assessing and updating it at appropriate subcommittees. The main risks that the charity faces are:

a) **Financial Sustainability**

This is mitigated by our robust fundraising strategy; built over many years of successful expansions of donated income, and by cultivating excellent relationships with statutory funding partners in the local health economy.

b) **Reputation**

The Hospice is held in high regard by local people and stakeholder partners and has been so for 49 years but protecting and polishing our reputation requires mitigating actions, notably in ensuring that all our systems, processes and support lead to the successful recruitment retention and development of outstanding people.

c) **Internal Infrastructure**

In a rapidly changing environment our mitigations involves continually assessing and modifying our infrastructure (including I.T.) to contend with contemporary and future needs. Cost containment and investment in new assets are kept in balance by constant monitoring.

Reserves Policy

Reserves are held to ensure that the charity has the ability to withstand any unforeseen drops in income, and to provide capital for future strategic growth, recognising that access to external capital is very limited. The Board of Trustees is satisfied that the current level of reserves provides an adequate buffer against risks that cannot be negated by other means, whilst underpinning the strategic plan for the future of the hospice.

Remuneration Policy

The People & Values subcommittee, which reports to the Board of Trustees, oversees all matters relating to executive remunerations and staff pay and benefits. External benchmarks and local market rates of pay are used as comparatives so that the Hospice can attract and retain high quality staff in both clinical and non-clinical roles. An annual appraisal process is in place to evaluate job performance at an individual level across the organisation.

Disabled Persons Policy

In terms of employment, the Hospice gives full and fair consideration to applications for employment from disabled persons, it is also committed to becoming more disability confident ensuring that disabled people, and those with lifelong health conditions, have the opportunities to fulfil their potential and realise their aspirations. We support the ongoing training and development of persons disabled prior to appointment or who become disabled following appointment.

Fundraising standards information

We maintain the highest standards of practice in fundraising activities by:

- ❖ Complying with all relevant law, regulations and codes of practice
- ❖ Registering with the Fundraising regulator
- ❖ Employing suitably qualified and experienced fundraising staff
- ❖ Treating the information that supporters provide us with in line with our Privacy Policy
- ❖ Never selling or sharing supporters personal information to a third party

- ❖ Maintaining clear governance and management controls for the legal, safe and transparent raising of funds from a diverse range of sources
- ❖ Providing policies and guidance for working with supporters who are in vulnerable circumstances
- ❖ Having clear rules for when donations are returned to donors
- ❖ Seeking to engage with a diverse community of supporters; and
- ❖ Preparing a report on fundraising activity, including a quarterly summary of complaints and action taken to address them

Trustees Responsibilities in Relation to Financial Statements

The charity's trustees, who are also the directors of Douglas Macmillan Hospice for the purposes of company law, are responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK generally accepted accounting practice).

Company law requires our trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and applications of resources, including the income and expenditure of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- ❖ Select suitable accounting policies and then apply them consistently
- ❖ Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- ❖ Make judgements and accounting estimates that are reasonable and prudent
- ❖ State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material expenditures disclosed and explained in the financial statements
- ❖ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group, and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from that in other jurisdictions.

In so far as the trustees are aware at the time of approving our trustees' report there is no relevant audit information of which our auditor is unaware, and trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information. It is customary to place a resolution at our AGM proposing the appointment of Geens Ltd as our auditors and trustees will do so in the knowledge stated above.

Approved by the trustees on 26th September 2022 and signed on their behalf by:



David Platt
Chairman of Board of Trustees

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Douglas Macmillan Hospice and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustee's report has been prepared in accordance with applicable legal requirements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2022

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- we obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- we considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2022

The key procedures we undertook to detect irregularities, including fraud, during the course of the audit included:

- identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- assessing the extent of compliance, or lack of, with relevant laws and regulations.
- assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- obtaining third party confirmation of material bank balances.
- documenting and verifying all significant related party balances and transactions.
- reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable member's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



***Karen Staley FCA (Senior Statutory Auditor)
for and on behalf of Geens Limited***

**Chartered Accountants
Statutory Auditor**

26th September 2022

68 Liverpool Road
Stoke on Trent
Staffordshire
ST4 1BG

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £ 2022	Total funds £ 2021
<u>Income:</u>						
Donations and legacies	2	1,663,467	5,820,992	45,742	7,530,201	3,335,330
Charitable activities	3	4,029,349	-	1,821,688	5,851,037	6,231,639
Other trading activities	4	6,584,059	-	-	6,584,059	3,874,547
Investment income	5	104,028	-	-	104,028	130,463
Other	6	319,615	-	-	319,615	5,344,935
Total income		12,700,518	5,820,992	1,867,430	20,388,940	18,916,914
<u>Expenditure</u>						
Costs of raising funds	7	3,245,511	-	-	3,245,511	2,789,548
Charitable activities	8	9,240,952	512,830	1,821,688	11,575,470	8,855,735
Total expenditure		12,486,463	512,830	1,821,688	14,820,981	11,645,283
Net gains/ (loss) on investments	17	123,550	-	-	123,550	1,397,069
Net income / (expenditure)		337,605	5,308,162	45,742	5,691,509	8,668,700
Transfers between funds	25/26	1,936,709	(1,936,709)	-	-	-
Other recognised gains and (losses)						
Actuarial gain / (loss) on defined benefit pension schemes	21	902,000	-	-	902,000	402,000
Net movement in funds		3,176,314	3,371,453	45,742	6,593,509	9,070,700
Reconciliation of funds:						
Fund balances brought forward		7,196,029	14,013,267	45,003	21,254,299	12,183,599
Fund balances carried forward		10,372,343	17,384,720	90,745	27,847,808	21,254,299

All of the above results were derived from continuing operations. All gains and losses recognised in the year are included above.

The notes on pages 15 to 32 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	16	9,001,074	9,246,326	9,001,074	9,246,326
Investments	17	9,153,108	7,050,197	9,153,112	7,050,201
		<u>18,154,182</u>	<u>16,296,523</u>	<u>18,154,186</u>	<u>16,296,527</u>
Current assets					
Stocks	18	4,588	3,074	-	-
Debtors	19	3,441,324	2,911,641	3,971,211	3,428,406
Cash at bank and in hand		8,199,130	4,765,320	7,322,106	3,920,226
		<u>11,645,042</u>	<u>7,680,035</u>	<u>11,293,317</u>	<u>7,348,632</u>
Creditors: amounts falling due within one year	20	<u>(1,244,416)</u>	<u>(985,259)</u>	<u>(922,361)</u>	<u>(669,766)</u>
Net current assets		<u>10,400,626</u>	<u>6,694,776</u>	<u>10,370,956</u>	<u>6,678,866</u>
Total assets less current liabilities being net assets excluding pension liability		<u>28,554,808</u>	<u>22,991,299</u>	<u>28,525,142</u>	<u>22,975,393</u>
Defined benefit pension scheme liability	21	<u>(707,000)</u>	<u>(1,737,000)</u>	<u>(707,000)</u>	<u>(1,737,000)</u>
Net assets including pension liability		<u>27,847,808</u>	<u>21,254,299</u>	<u>27,818,142</u>	<u>21,238,393</u>
Funds					
Income funds					
Restricted funds	25	90,745	45,003	90,745	45,003
Unrestricted funds: Designated funds	26	17,384,720	14,013,267	17,384,720	14,013,267
Other charitable funds		11,079,343	8,933,029	11,049,677	8,917,123
		<u>28,554,808</u>	<u>22,991,299</u>	<u>28,525,142</u>	<u>22,975,393</u>
Total funds excluding pension reserve		<u>28,554,808</u>	<u>22,991,299</u>	<u>28,525,142</u>	<u>22,975,393</u>
Pension reserve	21	<u>(707,000)</u>	<u>(1,737,000)</u>	<u>(707,000)</u>	<u>(1,737,000)</u>
Total funds		<u>27,847,808</u>	<u>21,254,299</u>	<u>27,818,142</u>	<u>21,238,393</u>

The financial statements were approved by the Board on 26th September 2022 and agreed on their behalf by:



Mr D Platt - Chairman

The notes on pages 15 to 32 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group 2022 £	2021 £	Charity 2022 £	2021 £
Net cash provided by operating activities	28	5,431,630	5,361,229	5,399,700	4,513,073
Cash flows from investing activities:					
Dividends, interest and rents from investments		104,028	130,463	104,028	130,463
Purchase of property, plant and equipment		(268,363)	(4,172,629)	(268,363)	(4,172,629)
Proceeds from sale of property, plant and equipment		-	-	-	-
Proceeds on sale of investments		(3,591,669)	2,989,060	(3,591,669)	2,989,060
Purchase of investments		1,758,184	(2,865,582)	1,758,184	(2,865,582)
Net cash used in investing activities		(1,997,820)	(3,918,688)	(1,997,820)	(3,918,688)
Change in cash and cash equivalents in the reporting period		3,433,810	1,442,541	3,401,880	594,385
Cash and cash equivalents at the beginning of the reporting period		4,765,320	3,322,779	3,920,226	3,325,841
Cash and cash equivalents at the end of the reporting period		8,199,130	4,765,320	7,322,106	3,920,226

The notes on pages 15 to 32 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1a) Basis of preparation

The financial statements have been prepared in accordance with the Charity's memorandum and articles of association, the Charities Act 2011 and the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

These group financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings for the year ended 31 March 2022 on a line by line basis. The trading results of the subsidiary undertakings are shown in note 13.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1b) Fund accounting

Unrestricted funds are available for use, at the discretion of the trustees, in furtherance of the general objectives of the charity and which have been designated for other purposes:

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes.

1c) Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised in full when receivable and are included at fair value.

1 Accounting policies (continued)

1c) Income recognition (Continued)

Legacies are recognised when both entitlement to receive the income has been established and when it is probable that the income will be received. Receipt is assessed to be probable when: there has been grant of probate; and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy. Legacies are measured at the fair value of income receivable based on available information.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the expenditure incurred related to fundraising activities and the costs relating to the trading subsidiaries;
- Expenditure on charitable activities includes the expenditure incurred relating to Inpatient Services, Medical, Day Hospice, Community, Hospice at Home, Wellbeing, Learning and Development and Children and Young Adult Hospice Services; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include finance costs, governance costs, information technology costs, HR and reception costs, facilities and health and safety costs, non-attributable depreciation, and general overheads including the defined benefit pension scheme cost. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on an apportioned basis related to the expenditure as a percentage of total expenditure.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 9.

1f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

1 Accounting policies (continued)

1f) Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	3% p.a. straight line
Retail leased buildings works	20% p.a. straight line
Fixtures, fittings & equipment	25% p.a. straight line and reducing balance
Motor vehicles	25% p.a. reducing balance

1g) Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in section 1c) above.

1h) Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Financial assets

Basic financial assets, which include debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including short term highly liquid investments are initially measured at fair value, with subsequent changes in fair value recognised in the Statement of Financial Activities. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are measured at cost less impairment.

Financial assets measured at amortised cost are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ii) Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

1h) Financial instruments (continued)

Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1i) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1j) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1k) Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also operates a defined benefit scheme which is closed to new members. The contributions made to the scheme are as recommended by the Scheme Trustees and the independent actuary. The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

1l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1m) Going concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval. The Trustees and executive team are constantly monitoring the position of the charity and at the balance sheet date the charity has healthy reserves and healthy cash balances. Under all scenarios reviewed, the Hospice has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

1n) Critical accounting judgements and key sources of estimation uncertainty

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

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

In preparing these financial statements, the Trustees have made judgements in determining the:

- value of accrued legacy income. The value depends on decisions regarding entitlement to the gift, probability of receipt and ability to value it with sufficient accuracy;
- impairment of tangible fixed assets. Factors taken in to consideration in reaching the decision include the availability of resources to continue service delivery at previous levels;
- useful economic life of tangible fixed assets. The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on future investments, economic utilisation and physical condition of the assets.
- application of going concern. The main judgement is the assessment of the group's cash and investment reserves and whether they were considered sufficient to meet operational commitments for the foreseeable future; and
- value of the pension obligation. The value depends on a number of factors, determined on an actuarial basis, using a number of estimated assumptions. The assumptions used in determining the valuation of the pension scheme obligation include the discount rate of 2.70% (2021: 2.05%), the Retail Prices Index (RPI) rate of 3.90% (2021: 2.35%) and the mortality rates. The discount rate is determined by considering the market yields on high quality corporate bonds, at the reporting date. Other assumptions are based on current market conditions. Additional information and relevant sensitivities are disclosed in note 21.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Donations and legacies

	Unrestricted funds	Designated funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£	£
Donations and gifts	1,609,779	1,915,000	45,742	3,570,521	1,469,933
Legacies	-	3,905,992	-	3,905,992	1,811,709
Department of Health	53,688	-	-	53,688	53,688
	<u>1,663,467</u>	<u>5,820,992</u>	<u>45,742</u>	<u>7,530,201</u>	<u>3,335,330</u>

For the year ended 31 March 2021

Unrestricted funds	1,521,966
Designated funds	1,811,709
Restricted funds	1,655
	<u>3,335,330</u>

3 Income from charitable activities

	Unrestricted funds	Designated funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£	£
Charitable activities	<u>4,029,349</u>	<u>-</u>	<u>1,821,688</u>	<u>5,851,037</u>	<u>6,231,639</u>

For the year ended 31 March 2021

Unrestricted funds	3,783,795
Designated funds	-
Restricted funds	2,447,844
	<u>6,231,639</u>

Included within income relating to charitable activities are:

Clinical Commissioning Group (Annual Grant)	2,787,717	2,973,635
NHS England COVID 19 (Via Hospice UK)	1,091,755	2,447,844
Wave 4 COVID 19 (Omicron) Support (CCG Funded)	729,933	-
	<u>4,609,405</u>	<u>5,421,479</u>

NHS England awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation.

4 Income from other trading activities

	Unrestricted funds	Designated funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£	£
Fundraising events	1,499,722	-	-	1,499,722	589,246
Income from commercial activities:					
- Charity shops	3,621,315	-	-	3,621,315	1,939,340
- Lottery	1,463,022	-	-	1,463,022	1,345,961
	<u>6,584,059</u>	<u>-</u>	<u>-</u>	<u>6,584,059</u>	<u>3,874,547</u>

For the year ended 31 March 2021

Unrestricted funds	3,874,547
Designated funds	-
Restricted funds	-
	<u>3,874,547</u>

Included within income related to Charity shops are:

COVID 19 related Local Authority Retail Grants	-	503,233
Job Retention Scheme Grant	-	530,821
	<u>-</u>	<u>1,034,054</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5	Investment income	2022	2021
		£	£
	Income from listed investments	96,384	123,145
	Interest receivable	7,644	7,318
		<u>104,028</u>	<u>130,463</u>

For the year ended 31 March 2021

Unrestricted funds	130,463
Designated funds	-
Restricted funds	-
	<u>130,463</u>

6	Other	2022	2021
		£	£
	Transfer of assets from The Donna Louise Trust	319,615	5,344,935

In March 2021 the services of The Donna Louise Trust, a local children and young adult hospice, were integrated in to the Douglas Macmillan Hospice. In connection with the integration of services assets with a value of £319,615 (2021 - £5,344,935) were transferred from The Donna Louise Trust to Douglas Macmillan Hospice. The assets transferred were comprised as follows:

Land and buildings	-	4,106,868
Other debtors	319,615	301,453
Cash at bank and in hand	-	936,614
	<u>319,615</u>	<u>5,344,935</u>

7 Analysis of costs of raising funds

	Direct costs	Support costs	Total 2022	Total 2021
	£	£	£	£
Fundraising Costs	417,207	-	417,207	354,250
Costs of commercial activities:				
- Charity shops	2,308,168	-	2,308,168	1,955,710
- Lottery	520,136	-	520,136	479,588
	<u>3,245,511</u>	<u>-</u>	<u>3,245,511</u>	<u>2,789,548</u>

For the year ended 31 March 2021

Unrestricted funds	2,789,548
Designated funds	-
Restricted funds	-
	<u>2,789,548</u>

8 Analysis of expenditure on charitable activities

	Direct costs	Support costs	Total 2022	Total 2021
	£	£	£	£
Inpatient Services	2,507,666	1,212,021	3,719,687	3,544,987
Medical	513,298	261,746	775,044	553,802
Day Hospice	-	-	-	440,937
Community and Hospice at Home	2,055,250	1,025,847	3,081,097	3,284,856
Wellbeing	626,835	311,767	938,602	827,468
Learning and Development	92,371	33,201	125,572	120,883
Children and Young Adult Hospice	1,982,340	953,128	2,935,468	82,802
	<u>7,777,760</u>	<u>3,797,710</u>	<u>11,575,470</u>	<u>8,855,735</u>
Unrestricted funds			9,240,952	5,998,361
Designated funds			512,830	409,530
Restricted funds			1,821,688	2,447,844
			<u>11,575,470</u>	<u>8,855,735</u>

9 Allocation of support costs

	Inpatient Services £	Medical £	Community and Hospice at Home £	Wellbeing £
Governance	40,097	8,519	33,604	10,224
Finance	135,215	29,560	115,300	35,013
Information technology	206,335	43,765	172,749	52,563
HR & reception	225,228	48,143	189,450	57,615
Facilities & health and safety	221,491	48,174	188,280	57,193
Depreciation	164,794	34,337	136,502	41,583
General overheads	158,306	35,725	137,648	41,712
Defined benefit pension scheme	60,555	13,523	52,314	15,864
	<u>1,212,021</u>	<u>261,746</u>	<u>1,025,847</u>	<u>311,767</u>

Allocation of support costs (Continued)

	Learning & Development £	Children and Young Adult Hospice £	Total 2022 £
Governance	1,216	31,584	125,244
Finance	3,403	106,201	424,692
Information technology	6,318	162,551	644,281
HR & reception	6,586	177,300	704,322
Facilities & health and safety	5,782	174,055	694,975
Depreciation	5,563	130,050	512,829
General overheads	3,048	123,930	500,369
Defined benefit pension scheme	1,285	47,457	190,998
	<u>33,201</u>	<u>953,128</u>	<u>3,797,710</u>

Support costs are allocated in proportion to total expenditure. Salary, wages and related costs are allocated to the charitable activities undertaken on the basis of the direct salary, wages and related costs incurred by each charitable activities. Other non-salary support costs are allocated to the charitable activities undertaken on the basis of the total salary costs and direct costs incurred by each charitable activity.

10 Analysis of governance costs

		2022 £	2021 £
Salaries, wages and related costs	Allocated on time basis	34,584	32,453
Audit fees (parent company)	Cost incurred	9,500	9,250
Premises costs	1.125% of total premises costs	19,016	19,276
Overheads	10% of overheads not included above	62,144	34,789
		<u>125,244</u>	<u>95,768</u>

11 Net income / (expenditure) for the year

	2022 £	2021 £
Net income / (expenditure) is stated after charging:		
Depreciation	512,830	409,530
Loss on disposal of tangible fixed assets	786	-
Auditors' remuneration (group) - audit services	15,400	14,700
Auditors' remuneration (group) - non audit services	7,714	6,025
Operating lease charges - buildings	<u>302,792</u>	<u>264,096</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Financial activities of the charity	2022	2021
	£	£
Gross income	19,835,575	18,442,604
Total expenditure on charitable activities	(11,163,865)	(8,960,735)
Fundraising costs	(3,245,511)	(2,305,250)
Unrealised gains/ (losses) on investment assets	123,550	1,397,069
Net income/ (expenditure)	5,549,749	8,573,688
Total funds brought forward excluding pension reserve	22,975,393	14,401,705
Total funds carried forward excluding pension reserve	<u>28,525,142</u>	<u>22,975,393</u>
Represented by:		
Unrestricted income funds	11,049,677	8,917,123
Designated income funds	17,384,720	14,013,267
Restricted income funds	90,745	45,003
	<u>28,525,142</u>	<u>22,975,393</u>

13 Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equity share capital:-

Name of subsidiary	Country of incorporation	% of equity share capital held
Douglas Macmillan Hospice Staffordshire Enterprises Limited	England & Wales	100
Douglas Macmillan Hospice Staffordshire Lotteries Limited	England & Wales	100

Douglas Macmillan Hospice Staffordshire Enterprises Limited**Summary of trading results**

	2022	2021
	£	£
Turnover	49,136	20,617
Total expenditure	(19,470)	(4,710)
Profit for the year	<u>29,666</u>	<u>15,907</u>

The turnover from this entity is consolidated within total charity shop income reported in note 4 of these accounts. All profits in this subsidiary are distributed to Douglas Macmillan Hospice after the year end.

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Enterprises Limited were:

Assets	35,222	133,356
Liabilities	(5,554)	(117,447)
Funds	<u>29,668</u>	<u>15,909</u>

Douglas Macmillan Hospice Staffordshire Lotteries Limited**Summary of trading results**

	2022	2021
	£	£
Turnover	1,463,022	1,345,961
Other income	-	28,404
Total expenditure	(520,136)	(479,588)
Profit for the year	<u>942,886</u>	<u>894,777</u>

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Lotteries Limited were:

Assets	1,263,117	1,207,829
Liabilities	(320,229)	(313,050)
Funds	<u>942,888</u>	<u>894,779</u>

14 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were:

	2022	2021
	£	£
Wages and salaries	9,286,573	7,382,237
Social security costs	796,099	640,031
Pension costs	1,225,905	991,141
	<u>11,308,577</u>	<u>9,013,409</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022	2021
	Number	Number
£60,001 to £70,000	2	1
£70,001 to £80,000	1	1
£80,001 to £90,000	-	-
£90,001 to £100,000	-	1
£100,001 to £110,000	<u>2</u>	<u>1</u>

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2022	2022	2021	2021
	Number	FTE	Number	FTE
Raising funds	109	94	99	86
Charitable activities	291	242	239	200
Governance	1	1	1	1
	<u>401</u>	<u>337</u>	<u>339</u>	<u>287</u>

The key management personnel of the charity comprise the members of its executive management team. The total employee benefits of the key management personnel of the charity were £538,455 (2021: £507,683).

The trustees neither received nor waived any remuneration during the year (2021:£Nil).

The trustees did not have any expenses reimbursed during the year (2021:£Nil).

The charity has received no donations with conditions from the trustees during the year (2021:£Nil).

15 Pension costs
FPS defined benefit scheme

The charity contributes to a defined benefit scheme and the details are in note 21.

Contributions are made in accordance with the annual recommendations of a qualified independent actuary.

The contributions to this scheme in the year were £Nil (2021: £Nil). Also during the year shortfall payments in respect of a recovery plan have been paid totalling £190,998 (2021: £154,671).

Contributions are also made to a second plan (FPS Federated Flexiplan) in accordance with actuarial recommendations.

NHS defined benefit scheme

The charity also contributes to the NHS Pension Scheme, which is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2022, is based on valuation data as At 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The contributions to this scheme in the year were £291,175 (2021: £249,421).

Aviva/Nest defined contribution schemes

The charity also contributes to defined contribution schemes in respect of employees who do not qualify for the FPS scheme or the NHS scheme.

The contributions to these schemes in the year were £739,257 (2021: £583,649).

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Tangible fixed assets Group and company	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2021	12,553,250	1,585,718	14,138,968
Additions	59,463	208,900	268,363
Disposals	-	(64,393)	(64,393)
At 31 March 2022	<u>12,612,713</u>	<u>1,730,225</u>	<u>14,342,938</u>
Depreciation			
At 1 April 2021	3,586,745	1,305,897	4,892,642
Charge for the year	389,801	123,029	512,830
Disposals	-	(63,608)	(63,608)
At 31 March 2022	<u>3,976,546</u>	<u>1,365,318</u>	<u>5,341,864</u>
Net book value			
At 31 March 2022	<u>8,636,167</u>	<u>364,907</u>	<u>9,001,074</u>
At 31 March 2021	<u>8,966,505</u>	<u>279,821</u>	<u>9,246,326</u>

17 Fixed asset investments	Cash	Listed inv.	Total	2021
	£	£	£	£
Market value at 1 April 2021	215,735	6,834,462	7,050,197	5,689,104
Additional funds invested	2,000,000	-	2,000,000	-
Additions at cost	1,758,184	(1,758,184)	-	-
Disposals at carrying value	(3,591,669)	3,591,669	-	-
Change in value in the year	-	123,550	123,550	1,397,069
Other movement in cash balance	(20,639)	-	(20,639)	(35,976)
Market value at 31 March 2022	<u>361,611</u>	<u>8,791,497</u>	<u>9,153,108</u>	<u>7,050,197</u>
Historical cost at 31 March 2022	<u>361,611</u>	<u>8,067,184</u>	<u>8,428,795</u>	<u>6,327,198</u>

The following investments made up more than 5% each of the total market value of listed investments or bonds at 31 March 2022.

	2022	2021
	£	£
Maitland Institutional Services MI select Managers Fund UK	551,281	373,648
Maitland Institutional Services MI select Managers Fund North America	1,151,723	623,670
Vanguard Funds PLC S&P 500	<u>845,350</u>	<u>541,819</u>

Summary of Investments	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Investment in subsidiary companies	-	-	4	4
Other investments	9,153,108	7,050,197	9,153,108	7,050,197
	<u>9,153,108</u>	<u>7,050,197</u>	<u>9,153,112</u>	<u>7,050,201</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18	Stock	Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
	Stock in hand	4,588	3,074	-	-
		<u>4,588</u>	<u>3,074</u>	<u>-</u>	<u>-</u>
19	Debtors	Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
	Trade debtors	244,663	358,682	244,663	358,682
	Amounts owed by subsidiary undertakings	-	-	733,810	516,765
	Other debtors	2,916,184	2,547,898	2,712,261	2,547,898
	Prepayments and accrued income	280,477	5,061	280,477	5,061
		<u>3,441,324</u>	<u>2,911,641</u>	<u>3,971,211</u>	<u>3,428,406</u>
20	Creditors: amounts falling due within one year	Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
	Trade creditors	294,822	10,240	292,184	-
	Amounts owed to subsidiary undertakings	-	-	-	-
	Other creditors	462,298	590,611	153,300	292,163
	Taxes and social security	212,522	166,797	212,522	166,797
	Accruals and deferred income	274,774	217,611	264,355	210,806
		<u>1,244,416</u>	<u>985,259</u>	<u>922,361</u>	<u>669,766</u>
21	Pension and other post-retirement benefit commitments				
		Employee benefit obligations		Defined benefit pension plans	
				2022	2021
				£	£
	a) The amounts recognised in the balance sheet are as follows:				
	Present value of funded obligations			10,090,000	11,497,000
	Fair value of plan assets			(9,383,000)	(9,760,000)
	Deficit			<u>707,000</u>	<u>1,737,000</u>
	Present value of unfunded obligations			-	-
	Unrecognised past service cost			-	-
	Irrecoverable surplus			-	-
	Net pension liability recognised before tax			<u>707,000</u>	<u>1,737,000</u>
	b) The amounts recognised in the statement of financial activities are as follows:				
	Current service cost included in staff costs within total resources expended			-	-
	Past service cost			25,000	-
				<u>25,000</u>	<u>-</u>
	Net pension finance costs included within total resources expended:				
	Interest on obligation			224,000	244,000
	Expected return on pension scheme assets			(190,000)	(194,000)
				<u>34,000</u>	<u>50,000</u>
	Total			<u>59,000</u>	<u>50,000</u>
	Actual return on scheme assets over the period			<u>575,000</u>	<u>1,487,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Pension and other post-retirement benefit commitments (continued)

c) Included with other recognised gains and losses:

	2022	2021
	£	£
Return on assets, excluding interest income	385,000	1,293,000
Impact of surplus restrictions	-	-
Change in irrecoverable surplus	-	-
Actuarial gains/(losses) on liabilities	517,000	(891,000)
	<u>902,000</u>	<u>402,000</u>

d) Changes in the present value of the scheme liabilities:

	2022	2021
	£	£
Opening liabilities	11,497,000	10,841,000
Current service cost	-	-
Past service cost	25,000	-
Interest cost	224,000	244,000
Contribution by scheme participants	-	-
Actuarial (gains) / Losses	(517,000)	891,000
Benefits paid (including payments to and on account of leavers)	(1,139,000)	(479,000)
	<u>10,090,000</u>	<u>11,497,000</u>

e) Changes in fair value of the scheme assets:

	£	£
Opening fair value of scheme assets	9,760,000	8,597,000
Interest income	190,000	194,000
Actuarial gains	385,000	1,293,000
Contributions by employer	187,000	155,000
Contributions from scheme participants	-	-
Benefits paid (including payments to and on account of leavers)	(1,139,000)	(479,000)
	<u>9,383,000</u>	<u>9,760,000</u>

f) The major categories of scheme assets are as follows:

	2022	2021
	£	£
Equity	3,350,000	3,535,000
Bonds	1,391,000	1,523,000
Diversified funds	3,447,000	3,658,000
LDI	1,146,000	984,000
Cash	34,000	43,000
Annuity contracts	15,000	17,000
	<u>9,383,000</u>	<u>9,760,000</u>

g) Principal actuarial assumptions used by the actuary at the balance sheet date

	2022	2021
	%	%
Discount rate at 31 March	2.70	2.05
Rate of inflation (RPI)	3.90	3.35
Rate of inflation (CPI)	3.50	2.95
Rate of salary increase	2.50	2.50
Rate of increase to pensions in payment		
- Pre 1997 (Discretionary)	0.00	0.00
- 1997 - 2009 (RPI max 5%)	3.70	3.25
- Post 2009 (RPI max 2.5%)	2.35	2.20

21 Pension and other post-retirement benefit commitments (continued)**g) Principal actuarial assumptions used by the actuary at the balance sheet date (continued)**

Expected life expectancies on retirement at age 65 are:

	2022 Years	2021 Years
Males retiring immediately	20.00	19.90
Females retiring immediately	23.30	23.20
Males retiring in 20 years time	21.70	21.80
Females retiring in 20 years time	25.20	25.10

22 Financial commitments**Commitments under operating leases**

As at 31 March 2022 the group was committed to making the following payments under non-cancellable operating leases as set out below:

	2022 Land & buildings £	2022 Other £	2021 Land & buildings £	2021 Other £
Group:				
Operating leases which expire:				
Within one year	261,283	44,371	281,694	49,733
Between two and five years	231,667	28,938	311,075	92,377
After five years	-	-	16,667	-
	<u>492,950</u>	<u>73,309</u>	<u>609,436</u>	<u>142,110</u>
Company:				
Operating leases which expire:				
Within one year	232,908	44,371	261,819	49,733
Between two and five years	227,125	28,938	300,575	92,377
After five years	16,667	-	16,667	-
	<u>476,700</u>	<u>73,309</u>	<u>579,061</u>	<u>142,110</u>

23 Capital commitments

	Group and Company 2022 £	Group and Company 2021 £
Contracted, not provided for	-	-
	<u>-</u>	<u>-</u>

24 Company limited by guarantee

Douglas Macmillan Hospice is a company limited by guarantee and accordingly does not have share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes:

	Movement in funds				Balances at 31 March 2022 £
	Balances at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	
NHS England	-	1,821,688	(1,821,688)	-	-
Other specific purposes	45,003	45,742	-	-	90,745
	45,003	1,867,430	(1,821,688)	-	90,745

Purposes of the funds

NHS England awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation.

Specific purposes represents various donations made where the donors have asked that the monies be utilised to fund a specific aspect of the hospice's activities or to purchase particular items of equipment.

26 Designated funds

The income funds of the charity includes the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balances at 31 March 2022 £
	Balances at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	
Fixed assets fund	9,246,326	-	(512,830)	267,578	9,001,074
Legacy equalisation fund	4,766,941	3,905,992	-	(2,204,287)	6,468,646
Young adult hospice fund	-	1,915,000	-	-	1,915,000
	14,013,267	5,820,992	(512,830)	(1,936,709)	17,384,720

The fixed assets fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of all assets.

The legacy equalisation fund has been designated by the trustees to provide for expenditure in future years. The trustees recognise the unpredictable nature of this source of income and have set aside funds to provide for expenditure not covered by income from other sources.

The young adult hospice fund relates to a donation from the Denise Coates Foundation towards the on-going running costs of the young adults' hospice.

The transfer to the fixed asset fund is in respect of fixed asset additions in the year now designated by the trustees as part of the fixed asset fund and also fixed assets transferred from restricted funds.

The transfer from the legacy fund is to reflect the amount transferred to unrestricted income previously designated by the trustees. The amount is calculated on the multi year average of legacy income.

27 Analysis of group net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	-	9,001,074	-	9,001,074
Investments	9,153,108	-	-	9,153,108
Current assets	3,170,651	8,383,646	90,745	11,645,042
Current liabilities	(1,244,416)	-	-	(1,244,416)
	11,079,343	17,384,720	90,745	28,554,808
Pension reserve	(707,000)	-	-	(707,000)
Group net assets	10,372,343	17,384,720	90,745	27,847,808

28 Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Net income for the reporting period	6,593,509	9,070,700	6,579,748	9,080,688
Adjustments for:				
Depreciation charges	512,830	409,530	512,830	409,530
Loss on disposal of tangible fixed assets	786	-	786	-
Increase in investment cash balance	(145,876)	(87,502)	(145,876)	(87,502)
Gains on investments	(123,550)	(1,397,069)	(123,550)	(1,397,069)
Actuarial gains	(902,000)	(402,000)	(902,000)	(402,000)
Dividends, interest and rents from investments	(104,028)	(130,463)	(104,028)	(130,463)
Difference between pension charge and cash contributions	(128,000)	(105,000)	(128,000)	(105,000)
(Increase)/ decrease in stocks	(1,514)	2,147	-	-
(Increase)/ decrease in debtors	(529,684)	(1,787,858)	(542,805)	(2,304,623)
Increase/ (decrease) in creditors	259,157	(211,256)	252,595	(550,488)
Net cash provided by operating activities	5,431,630	5,361,229	5,399,700	4,513,073

29 Analysis of net cash balances

	1 April 2021 £	Cash flow £	Non-cash changes £	31 March 2022 £
Cash at bank and in hand	4,765,320	3,433,810	-	8,199,130
Fixed asset investments	7,050,197	1,979,361	123,550	9,153,108
	11,815,517	5,413,171	123,550	17,352,238

30 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	Notes	Group 2022 £	2021 £	Charity 2022 £	2021 £
Financial assets					
Measured at fair value through net income / expenditure:					
Fixed asset listed investments	17	9,153,108	7,050,197	9,153,112	7,050,201
Debt instruments measured at amortised cost:					
Trade debtors	19	244,663	358,682	244,663	358,682
Amounts owed by subsidiary undertakings	19	-	-	733,810	516,765
Other debtors	19	2,916,184	2,547,898	2,712,261	2,547,898
		<u>3,160,847</u>	<u>2,906,580</u>	<u>3,690,734</u>	<u>3,423,345</u>
Financial liabilities					
Measured at amortised cost					
Trade creditors	20	294,822	10,240	292,184	-
Amounts owed to subsidiary undertakings	20	-	-	-	-
Other creditors	20	462,298	590,611	153,300	292,163
Taxes and social security	20	212,522	166,797	212,522	166,797
Accruals and deferred income	20	274,774	217,611	264,355	210,806
		<u>1,244,416</u>	<u>985,259</u>	<u>922,361</u>	<u>669,766</u>

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	Notes	Group 2022 £	2021 £	Charity 2022 £	2021 £
Financial assets measured at fair value through net income / expenditure	17	123,550	1,397,069	123,550	1,397,069

31 Funds held on behalf of third Parties

Douglas Macmillan Hospice is providing administrative services to Symptom Control in Palliative Care. As part of this service Douglas Macmillan Hospice receives an administration fee.

Neither income nor the expenditure (with the exception of the administrative fee income) has been accounted for in the Statement of Financial Activities. Balances held in these bank accounts at the year end do not form part of the charity's assets and are not included in the balance sheet.

32 Related party transactions

There were no related party transactions during the year (2021: £Nil).

DOUGLAS MACMILLAN HOSPICE

England & Wales - Charity number 1071613

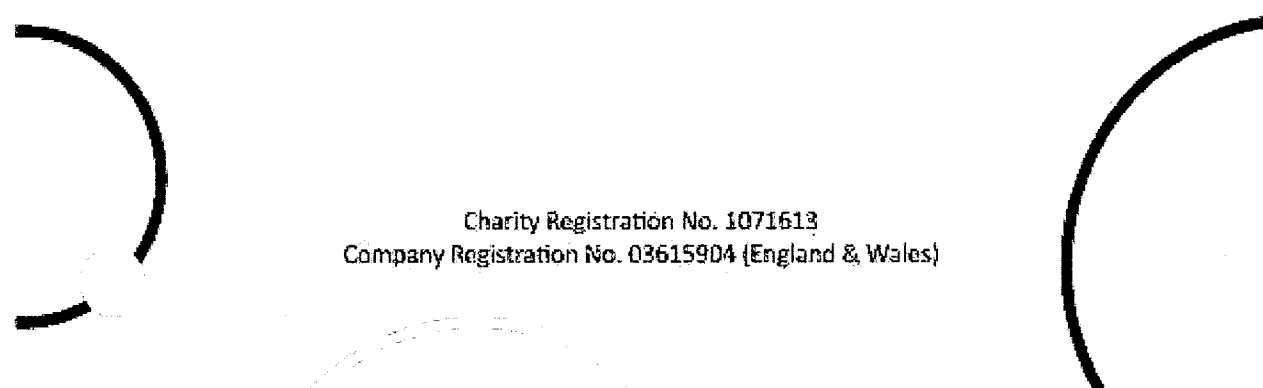
Accounts



DougieMac

Douglas Macmillan Hospice

**Trustees' report & financial
statements for the year
ended 31st March 2021**



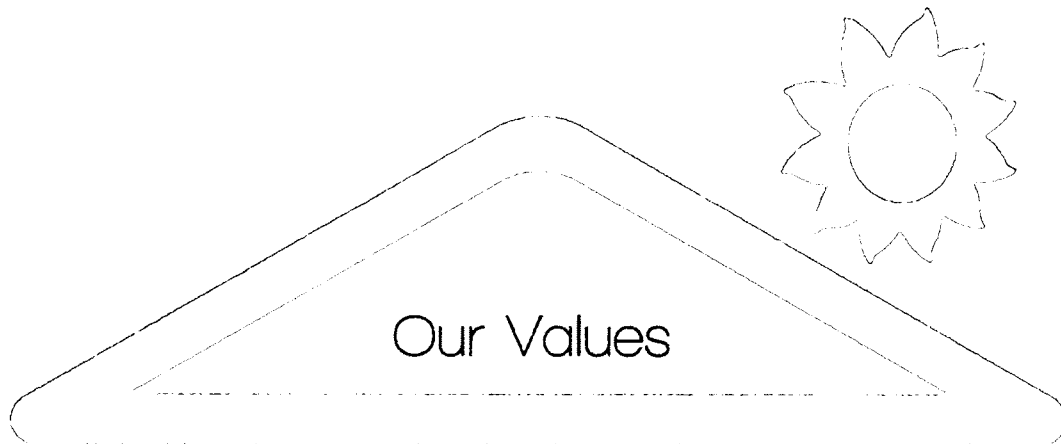
Charity Registration No. 1071613
Company Registration No. 03615904 (England & Wales)



DougieMac Vision, Mission & Values

Our Vision is... To be admired as a centre of excellence for palliative and end of life care.

Our Mission is... To respond to the increasing needs of our patients in our heartland by growing as a sustainable organisation, delivering outstanding value for money for all our funding sources and always remaining true to our core values.



Compassion

Working together by considering the views of others, understanding the challenges they face and providing support.

Accountability


Taking personal responsibility for our actions, owning our decisions and behaviours.

Respect

Always trusting, listening and challenging each other. Understanding that we are at our best as individuals whilst working as a team.

Excellence

Embracing excellence by empowering and motivating each other to be the best that we can be.



DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

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DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Douglas Macmillan Hospice is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Officers

The current Trustees (Directors) and those who held office during the financial year to 31st March 2021 are listed below:

Mr D Platt (Chair)	Mrs S Evans (Vice Chair)
Mr K Brown	Mrs J Miller
Mrs J Neyt	Mrs M Rathbone
Ms L Rowley	Dr J Sissons
Dr E Slade	Mr T Stanway
Mrs K McKenzie	
Company Secretary	Mr D Webster
Chief Executive Officer	Mr D Webster
Director of Care	Mrs J McCartney
Director of HR & Support Services	Mrs C Hammond
Director of Income Generation	Mrs K McKenzie
Director of Finance	Mrs V Dean

Legal and Administrative Information

Company Number	3615904
Charity Number	1071613
Registered Office	Barlaston Road Stoke-on-Trent ST3 3NZ
Auditors	Geens Limited Chartered Accountants 68 Liverpool Road Stoke-on-Trent ST4 1BG
Principal Bankers	Lloyds Banking Group 46 High Street Newcastle-under-Lyme ST5 1QY
Solicitors	Tinsdills Limited Hays House, 25 Albion Street Hanley

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

As Chairman of the Trustee Board of Douglas Macmillan Hospice it is my great pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 March 2021, on behalf of the Board of Trustees who are also Directors of the charity for the purposes of the Companies Act 2006.

Douglas Macmillan Hospice, or Dougie Mac as we are colloquially known, was formed in 1973 but in the 48 years since then there has been no other year like the one we have just experienced. The impact of the global pandemic, Covid-19, was profound and unprecedented, altering so many of the personal freedoms we had previously taken for granted. It has been crucial to protect the most vulnerable in our society, and to do so via collective responsibility, most notably through the successful roll out of the vaccination programme in the UK. Covid-19 inevitably changed the way the hospice operated in 2020/21 but the degree to which we impacted our local community and supported our local health system has rarely been more vividly exemplified than during the pandemic.

THE DIFFERENCE WE MAKE

As a consequence of Covid-19, face to face contact with patients and their families was constrained and the number of admissions to our Inpatient Unit fell by 40% from the previous year from 526 to 313. Similarly, our community based Palliative Care Nurse Specialists were able to visit fewer patients at home during the pandemic but still undertook 5,198 visits, although this was dramatically fewer than during a more normal year (2019 – 14,594). However, these statistics tell only a part of the story; by reshaping our clinical resources to focus on telephone and 'virtual' support we were able to triple the number of contacts to patients to a staggering 46,939 contacts during the course of the year, and to handle 10,020 calls to our 24/7 Advice Line, an increase of 60% on the previous year. This illustrates the way our hospice adapted to the local demand for palliative and end of life care during the pandemic and demonstrates the flexibility that was vital in playing our part in supporting our local NHS. We are grateful to the NHSE for awarding funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the Covid-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose (see note 3 in the Financial Statements). Clearly the ramifications of Covid-19 will be a feature of our society for some time to come, and it would be unwise to assume that the pandemic's potency has diminished but the manner in which Dougie Mac adapted at pace to the demands of such a fierce challenge is a source of pride to everyone at our hospice. The Board of Trustees feels hugely indebted to the hospice staff for their dedication and commitment during such turbulent times.

OUR LANDMARK MERGER

On 19th March 2021 Dougie Mac completed a merger with the local children's hospice The Donna Louise Trust, following a protracted period of due diligence and legal work, which was inevitably impeded by Covid-19. Since then, our focus has been on the recruitment of much needed registered children's nurses and other clinical staff so that we can return the children's hospice to a 7 day/night service, and also on the re-modelling of non-clinical and support services within Dougie Mac to facilitate a smooth transition to a 'single hospice' organisation with the extended purpose of caring for children and young adults as well as adults with life-limiting, palliative and end of life needs.

FINANCIAL REVIEW

The financial statements for the year have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (Charities SORP) and comply with all statutory requirements and the hospice's governing document. The financial statements consolidate the results of Douglas Macmillan Hospice and its trading subsidiaries.

At the end of an unprecedented challenging year the Trustees are pleased to report a resilient financial performance that far exceeded our expectations. During the 12 months to 31 March 2021, we're happy to report a net increase to overall funds for the year of £9.07 million (2019/20: £1.05 million decrease) and an overall funds balance of £21.2 million at 31 March 2021 (£12.2 million at 31 March 2020).

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Total consolidated income for the year was £18.9 million, an increase of £6.3 million on the previous year. Total consolidated expenditure decreased by £1.3 million from 2019/20 (£12.9 million) to £11.6 million. From an operating perspective, 2020/21 showed a surplus of £7.3 million before investment gains and pension liability movements of £1.8 million (2019/20: £0.345 million deficit); the reasons for this are outlined below.

The Statement of Financial Activities is set out on page 13 of these financial statements, the financial position of the group is set out in the balance sheet on page 14. The Reserves Policy relating to the funds held by the hospice is described in the Reserves Policy on page 8

INCOME AND EXPENDITURE

Donations and Legacies

Despite facing considerable hardship and uncertainty of their own, our local community continued to support the Dougie Ma throughout the most challenging of years. Whilst donations fell by just 8%, our legacy income grew by an impressive 12%. Once again words cannot express the gratitude we feel towards the generous people and businesses within North Staffordshire. Without your ongoing support we simply couldn't do what we do best!

Charitable Activity Income

During the pandemic Hospice staff were at the forefront of the battle with COVID-19, continuing to care for our patients and their families, whilst also easing the burden on the NHS. As a result, NHS England supported the Hospice with £2.5 million (13% of total income) emergency funding enabling the hospice to make available bed capacity and provide much needed community support for the period April 2020 to March 2021. Income from NHS Clinical Commissioning Groups (CCGs) fell to just 16% of total income for the year (2019/20: 21%); funding pressures continue to exist in the NHS with inflationary cost increases not being matched by increases in charitable activity funding.

To further improve access to hospice care, the final two weeks of the financial year saw the long awaited amalgamation of Douglas Macmillan Hospice and The Donna Louise Trust. The assets of the children's hospice were transferred, increasing our incoming resources and asset value by £5.3 million (28% of total income). The financial implications of the transaction for Dougie Mac are outlined in Note 6 of the Financial Statements and will assist in our objectives, these primarily centre around the provision of excellent, consistent and impactful children's hospice services.

Income from Trading Activities

It has been an incredibly tough 12 months for the hospice fundraising sector, since the first lockdown was introduced in March 2020, rising COVID-19 infections and the resulting measures decimated hospice fundraising. Shop closures and the cancellation of indoor and outdoor events meant our retail trading income fell by more than 70% and our fundraising income halved, every week that our shops were closed in 2020 cost us £75k; our income generating teams had to become creative and rotated towards a mostly virtual fundraising strategy.

2020 was the optimal year to further develop Dougie Mac online trading, a chance to reach a wider audience whilst its traditional high street and community shops were shut. Online platforms such as EBay were used to advertise goods to a wider range of consumers, bricks and mortar shops would always be the core of the charity retail sector, but an online option during lockdown was essential.

To replenish some of the lost trading income as a result of COVID-19, the government announced there would be grant support for small businesses in the retail sector; the grants offered a lifeline to retail businesses who were struggling to survive due to the coronavirus shutdown. Local Authorities were quick to act, making the first tranche of payments at the very beginning of the financial year; in total the Dougie Mac were fortunate enough to receive £0.5 million.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

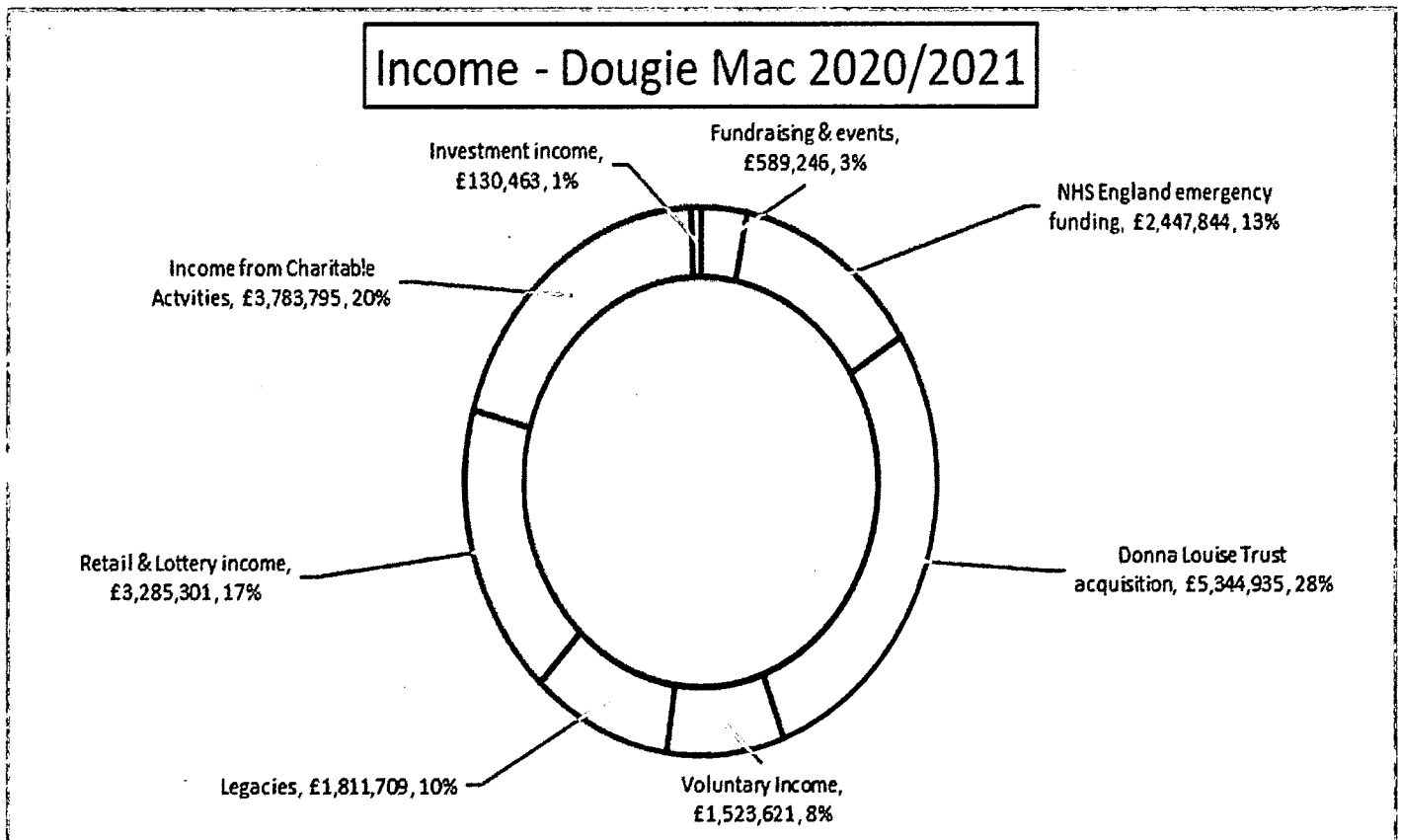
TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

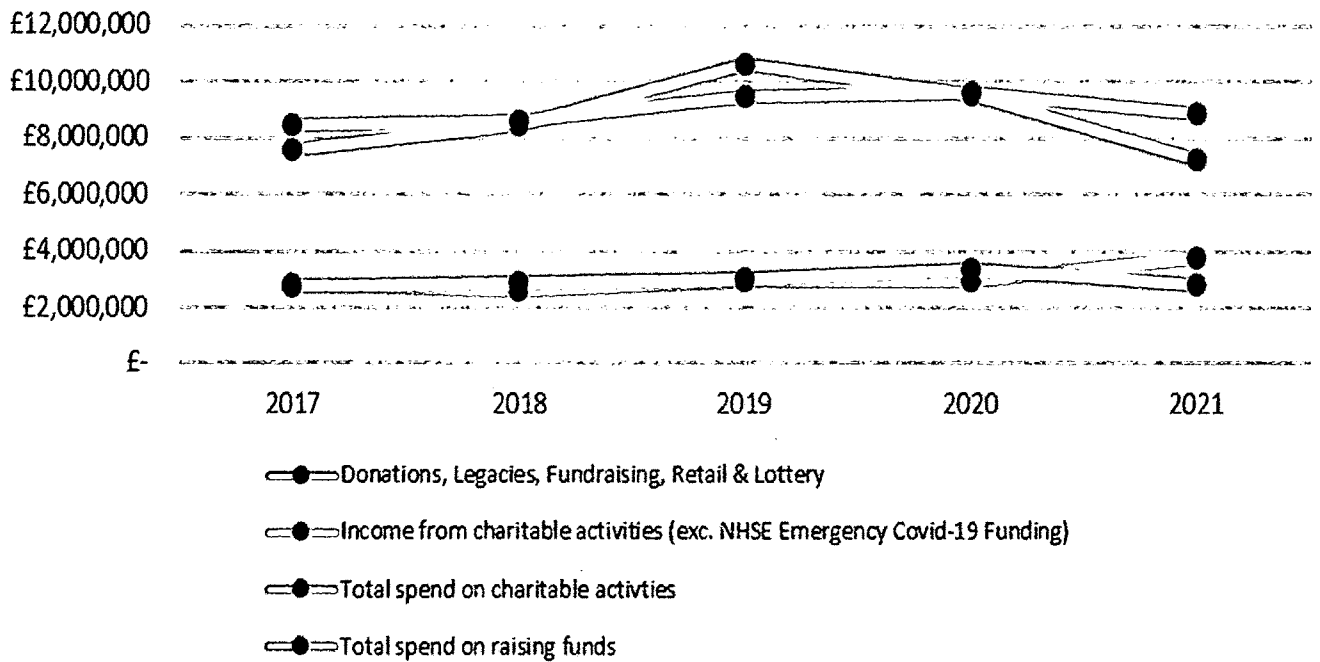
During 2020 Dougie Mac Lottery continued to be a dependable source of fundraising. Whilst canvassing and cash collection activities were hampered by social distancing restrictions, leading to a fall in membership of 8%, our controls on expenditure led to an increase in net contribution of 3%. Following the loss of circa 2000 Lottery players, we're delighted to see a steady increase in Lottery players, with a return to "pre-Covid" supporter numbers forecast by the end of March 2022.

Expenditure

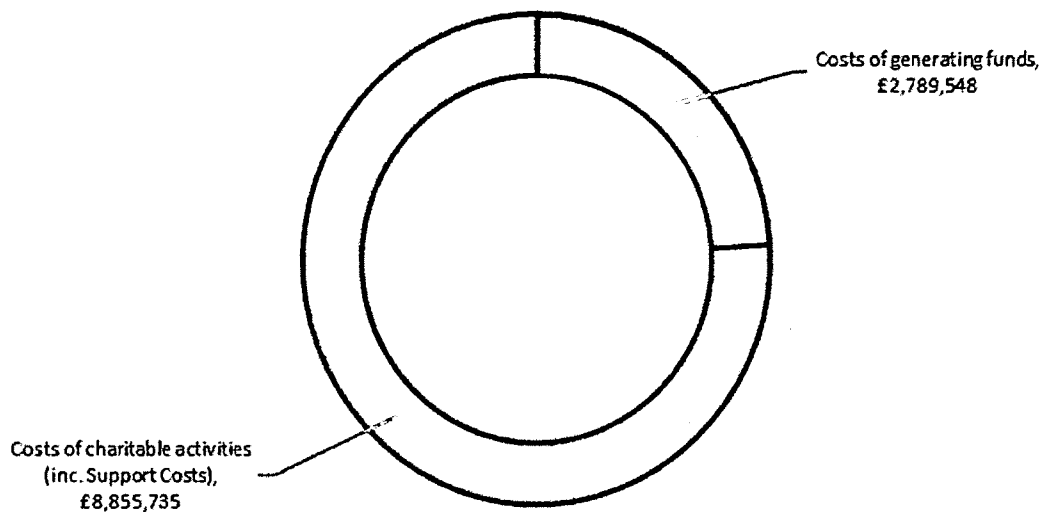
Following dramatic falls in retail and fundraising income, focus immediately turned to cost containment and the increasing need to "balance the books". Consequential cost saving was linked to restricted fundraising activities for example, shop closures, event cancellations and curbed face to face fundraising; other measures were more intentional for instance a temporary freeze on recruitment. Overall the costs of raising funds dropped by 18%. Whilst some hospice services were impacted by the need for clinically vulnerable patients to shield, other services were inherently impacted, this led to a fall in clinical activity costs of 8%. In total, expenditure for 2020/21 was £11.6 million, £1.3 million less than 2019/20.



Dougie Mac Income & Expenditure



Expenditure - Dougie Mac 2020/2021



How much of the donated £1 goes towards the cost of care? = 76p

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Defined Benefit Pension Scheme

The actuarial gain in the pension fund is £0.402 million and is shown in the Statement of Financial Activities, the pension scheme liability in the balance sheet has fallen by £0.507 million since 2019/20. The pension liability and its impact on the hospice's financial position is monitored closely by the Hospice Trustees and also by the Trustees of the Federated Pension Scheme for the Douglas Macmillan Hospice.

Investments

Investment markets have recovered significantly from the depths of the COVID-19 reaction, reached at the end of last year, where our portfolio was valued at £5.7 million; at the end of March 2021 the investments had appreciated to an encouraging market value of £7 million. November 2020 brought announcements of vaccine development, a pathway to normality and a re-evaluation of how quickly we could realise a future with the pandemic contained. Markets reacted accordingly, making November one of the best months in history regarding investment returns. Whilst 2021 looks stable, we will almost certainly see inflation rise, this will be expected as the effects of last year begin to wear off however, with businesses still having the headroom to increase operations, we do not see the environment for inflation to rise sustainably; our well diversified portfolio of investments reduces the overall level of volatility and reduces potential risk.

OUR STRATEGIC VISION

The strategic priorities for Dougie Mac are cemented into our DMH@50 Strategic Plan which visualises the intended progress of the hospice as we look towards our 50th anniversary in 2023. These are:

- To maintain and enhance the quality of holistic personalised care for all our patients
- To strengthen the long term financial sustainability of the hospice
- To extend our impact on the local health economy by collaborating with other providers
- To improve access to hospice care for extended groups by greater integration in our local community
- To continue to develop our compassionate, committed, professional workforce
- To mould our response to the intensifying need for support and palliative care for people living with dementia

Our strategic ambitions have clearly been revised following the effects of Covid-19 but we anticipate an increase in demand this coming year for bed-based and home-based clinical services, which will return both those dimensions of our adult services to more conventional levels of face to face contacts with patients and families.

Additionally, it will be imperative to refresh our DMH@50 strategic plan to include the children's hospice care and our young adult service, both of which will extend the reach and impact of Dougie Mac. As a well-capitalised hospice with substantial cash-flows and an outstanding reputation for our clinical care, Dougie Mac is well placed to continue to make a formidable contribution to the health economy in our heartland.

STRUCTURE AND GOVERNANCE

Board of Trustees

The Board of Trustees is the governing body that administers the charity, sets the strategy, formulates policy and assesses procedures and risk management. The Board meets regularly, and the trustees are directors of the company but none of the trustees has a beneficial interest in the company and all are unpaid volunteers.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Trustee Recruitment, Appointment and Induction

The existing trustees of Douglas Macmillan Hospice are empowered under the Articles of Association to elect new trustees at our Annual General Meeting and to make co-options at any other time. Succession planning for trustees is an important dimension of governance as is a blend of skills in the Board of Trustees, so new trustees are recruited in a variety of ways including external advertising and previous interest in and involvement with the Hospice. Additionally potential new trustees are invited to attend Board meetings as an observer to assist them on deciding whether to agree to a nomination as a trustee. New trustees receive a full induction programme over an extended period, including briefings with senior executives and visits to the various parts of the organisation to gain an appreciation of the mosaic of aspects which contribute to the success of Douglas Macmillan Hospice.

Subcommittees of the Board of Trustees

To assist in the smooth running of the charity the Board is supported by seven subcommittees each of which meets at appropriately regular intervals and are chaired by a member of the Board. These subcommittees are:

- ❖ Investments, Finance & Internal Audit (IFIA)
- ❖ People & Values (P&V)
- ❖ Clinical Governance & Professional Standards (CGPS)
- ❖ Corporate Governance (CG)
- ❖ DMH Staffordshire Enterprises Ltd Board (DMHSEL)
- ❖ DMH Staffordshire Lotteries Ltd Board (DMHSL)
- ❖ Information Governance (IG)

The trustees on each subcommittee have relevant interests and skills to ensure that they enhance the work of that committee. A scheme of delegation is in place so that day to day responsibility for the affairs of the charity, including all operational matters, rests with the Chief Executive Officer and the Executive team, which currently comprises:

- ❖ Chief Executive – David Webster
- ❖ Director of Care – Jeanette McCartney
- ❖ Director of Income Generation – Karen McKenzie
- ❖ Director of HR & Support Services – Cris Hammond
- ❖ Director of Finance – Vicki Dean

Both DMHSEL and DMHSL develop commercial activities to support the charity and each covenants its surplus to the charity, and results are included within the Consolidated Financial Statements.

Risk Management

Governance of Douglas Macmillan Hospice is underpinned by a transparent culture of risk evaluation and risk management, enabling the Board of Trustees to consider all risks, both stated and emerging, and fulfil their responsibility for risks faced by the charity. A risk register identifies the potential and actual risks, their nature, likelihood and impact and then outlines the measures taken to mitigate those risks. Trustees review the risk register formally at Board meetings as well as assessing and updating it at appropriate subcommittees.

The main risks that the charity faces are:

a) Financial Sustainability

This is mitigated by our robust fundraising strategy; built over many years of successful expansions of donated income, and by cultivating excellent relationships with statutory funding partners in the local health economy.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

b) Reputation

The Hospice is held in high regard by local people and stakeholder partners and has been so for 48 years but protecting and polishing our reputation requires mitigating actions, notably in ensuring that all our systems, processes and support lead to the successful recruitment retention and development of outstanding people.

c) Internal Infrastructure

In a rapidly changing environment our mitigations involves continually assessing and modifying our infrastructure (including I.T.) to contend with contemporary and future needs. Cost containment and investment in new assets are kept in balance by constant monitoring.

Reserves Policy

Reserves are held to ensure that the charity has the ability to withstand any unforeseen drops in income, and to provide capital for future strategic growth, recognising that access to external capital is very limited. The Board of Trustees is satisfied that the current level of reserves provides an adequate buffer against risks that cannot be negated by other means, whilst underpinning the strategic plan for the future of the hospice.

Remuneration Policy

The People & Values subcommittee, which reports to the Board of Trustees, oversees all matters relating to executive remunerations and staff pay and benefits. External benchmarks and local market rates of pay are used as comparatives so that the Hospice can attract and retain high quality staff in both clinical and non-clinical roles. An annual appraisal process is in place to evaluate job performance at an individual level across the organisation.

Disabled Persons Policy

In terms of employment, the Hospice gives full and fair consideration to applications for employment from disabled persons, it is also committed to becoming more disability confident ensuring that disabled people, and those with lifelong health conditions, have the opportunities to fulfil their potential and realise their aspirations.

We support the ongoing training and development of persons disabled prior to appointment or who become disabled following appointment.

Fundraising standards information

We maintain the highest standards of practice in fundraising activities by:

- ❖ Complying with all relevant law, regulations and codes of practice
- ❖ Registering with the Fundraising regulator
- ❖ Employing suitably qualified and experienced fundraising staff
- ❖ Treating the information that supporters provide us with in line with our Privacy Policy
- ❖ Never selling or sharing supporters personal information to a third party
- ❖ Maintaining clear governance and management controls for the legal, sale and transparent raising of funds from a diverse range of sources
- ❖ Providing policies and guidance for working with supporters who are in vulnerable circumstances
- ❖ Having clear rules for when donations are returned to donors
- ❖ Seeking to engage with a diverse community of supporters; and
- ❖ Preparing a report on fundraising activity, including a quarterly summary of complaints and action taken to address them

Trustees Responsibilities in Relation to Financial Statements

The charity's trustees, who are also the directors of Douglas Macmillan Hospice for the purposes of company law, are responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK generally accepted accounting practice).

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Company law requires our trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and applications of resources, including the income and expenditure of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- ❖ Select suitable accounting policies and then apply them consistently
- ❖ Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- ❖ Make judgements and accounting estimates that are reasonable and prudent
- ❖ State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material expenditures disclosed and explained in the financial statements
- ❖ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group, and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from that in other jurisdictions.

In so far as the trustees are aware at the time of approving our trustees' report there is no relevant audit information of which our auditor is unaware, and trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information. It is customary to place a resolution at our AGM proposing the appointment of Geens Ltd as our auditors and trustees will do so in the knowledge stated above.

Approved by the trustees on 27th September 2021 and signed on their behalf by:



David Platt
Chairman of Board of Trustees

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Douglas Macmillan Hospice and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2021

-
- the trustee's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 8 to 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- we obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- we considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOUGLAS MACMILLAN HOSPICE

FOR THE YEAR ENDED 31 MARCH 2021

The key procedures we undertook to detect irregularities, including fraud, during the course of the audit included:

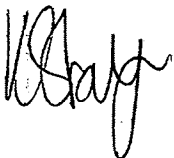
- identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- assessing the extent of compliance, or lack of, with relevant laws and regulations.
- assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- obtaining third party confirmation of material bank balances.
- documenting and verifying all significant related party balances and transactions.
- reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable member's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Karen Staley FCA (Senior Statutory Auditor)
for and on behalf of Geens Limited**

**Chartered Accountants
Statutory Auditor**

27th September 2021

68 Liverpool Road
Stoke on Trent
Staffordshire
ST4 1BG

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £ 2021	Total funds £ 2020
Income:						
Donations and legacies	2	1,521,966	1,811,709	1,655	3,335,330	3,263,161
Charitable activities	3	3,783,795	-	2,447,844	6,231,639	2,915,501
Other trading activities	4	3,874,547	-	-	3,874,547	6,239,270
Investment income	5	130,463	-	-	130,463	198,467
Other	6	5,344,935	-	-	5,344,935	-
Total income		14,655,706	1,811,709	2,449,499	18,916,914	12,616,399
Expenditure						
Costs of raising funds	7	2,789,548	-	-	2,789,548	3,386,310
Charitable activities	8	5,998,361	409,530	2,447,844	8,855,735	9,574,634
Total expenditure		8,787,909	409,530	2,447,844	11,645,283	12,961,007
Net gains/ (loss) on investments	17	1,397,069	-	-	1,397,069	(577,193)
Net income / (expenditure)		7,264,866	1,402,179	1,655	8,668,700	(921,801)
Transfers between funds	25/26	(2,366,262)	2,550,222	(183,960)	-	-
Other recognised gains and (losses)						
Actuarial gain / (loss) on defined benefit pension schemes	21	402,000	-	-	402,000	(127,000)
Net movement in funds		5,300,604	3,952,401	(182,305)	9,070,700	(1,048,801)
Reconciliation of funds:						
Fund balances brought forward		1,895,425	10,060,866	227,308	12,183,599	13,232,400
Fund balances carried forward		7,196,029	14,013,267	45,003	21,254,299	12,183,599

All of the above results were derived from continuing operations. All gains and losses recognised in the year are included above.

The notes on pages 16 to 33 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed assets					
Tangible assets	16	9,246,326	5,483,227	9,246,326	5,483,227
Investments	17	7,050,197	5,689,104	7,050,201	5,689,108
		<u>16,296,523</u>	<u>11,172,331</u>	<u>16,296,527</u>	<u>11,172,335</u>
Current assets					
Stocks	18	3,074	5,221	-	-
Debtors	19	2,911,641	1,123,783	3,428,406	1,123,783
Cash at bank and in hand		4,765,320	3,322,779	3,920,226	3,325,841
		<u>7,680,035</u>	<u>4,451,783</u>	<u>7,348,632</u>	<u>4,449,624</u>
Creditors: amounts falling due within one year	20	<u>(985,259)</u>	<u>(1,196,515)</u>	<u>(669,766)</u>	<u>(1,220,254)</u>
Net current assets		<u>6,694,776</u>	<u>3,255,268</u>	<u>6,678,866</u>	<u>3,229,370</u>
Total assets less current liabilities		<u>22,991,299</u>	<u>14,427,599</u>	<u>22,975,393</u>	<u>14,401,705</u>
including net assets excluding pension liability					
Defined benefit pension scheme liability	21	<u>(1,737,000)</u>	<u>(2,244,000)</u>	<u>(1,737,000)</u>	<u>(2,244,000)</u>
Net assets including pension liability		<u>21,254,299</u>	<u>12,183,599</u>	<u>21,238,393</u>	<u>12,157,705</u>
Funds					
Income funds					
Restricted funds	25	45,003	227,308	45,003	227,308
Unrestricted funds:					
Designated funds	26	14,013,267	10,060,866	14,013,267	10,060,866
Other charitable funds		8,933,029	4,139,425	8,917,123	4,113,531
Total funds excluding pension reserve		<u>22,991,299</u>	<u>14,427,599</u>	<u>22,975,393</u>	<u>14,401,705</u>
Pension reserve	21	<u>(1,737,000)</u>	<u>(2,244,000)</u>	<u>(1,737,000)</u>	<u>(2,244,000)</u>
Total funds		<u>21,254,299</u>	<u>12,183,599</u>	<u>21,238,393</u>	<u>12,157,705</u>

The financial statements were approved by the Board on 27th September 2021 and agreed on their behalf by:



Mr D Platt - Chairman

Company Registration No. 03615904 (England & Wales)

The notes on pages 16 to 33 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
Net cash provided by operating activities	28	5,361,229	9,361	4,513,073	69,937
Cash flows from investing activities:					
Dividends, interest and rents from investments		130,463	198,467	130,463	198,467
Purchase of property, plant and equipment		(4,172,629)	(147,639)	(4,172,629)	(147,639)
Proceeds from sale of property, plant and equipment		-	-	-	-
Proceeds on sale of investments		2,989,060	2,788,113	2,989,060	2,788,113
Purchase of investments		(2,865,582)	(2,718,748)	(2,865,582)	(2,718,748)
Net cash used in investing activities		(3,918,688)	120,193	(3,918,688)	120,193
Change in cash and cash equivalents in the reporting period		1,442,541	129,554	594,385	190,130
Cash and cash equivalents at the beginning of the reporting period		3,322,779	3,193,225	3,325,841	3,135,711
Cash and cash equivalents at the end of the reporting period		4,765,320	3,322,779	3,920,226	3,325,841

The notes on pages 16 to 33 form an integral part of these financial statements.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1a) Basis of preparation

The financial statements have been prepared in accordance with the Charity's memorandum and articles of association, the Charities Act 2011 and the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

These group financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings for the year ended 31 March 2021 on a line by line basis. The trading results of the subsidiary undertakings are shown in note 13.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1b) Fund accounting

Unrestricted funds are available for use, at the discretion of the trustees, in furtherance of the general objectives of the charity and which have been designated for other purposes:

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes.

1c) Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised in full when receivable and are included at fair value.

1 Accounting policies (continued)

1c) Income recognition (Continued)

Legacies are recognised when both entitlement to receive the income has been established and when it is probable that the income will be received. Receipt is assessed to be probable when: there has been grant of probate; and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy. Legacies are measured at the fair value of income receivable based on available information.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the expenditure incurred related to fundraising activities and the costs relating to the trading subsidiaries;
- Expenditure on charitable activities includes the expenditure incurred relating to Inpatient Services, Medical, Day Hospice, Community, Hospice at Home, Wellbeing, Learning and Development and Children's Hospice Services; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include finance costs, governance costs, information technology costs, HR and reception costs, facilities and health and safety costs, attributable depreciation, and general overheads including the defined benefit pension scheme cost. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on an apportioned basis related to the expenditure as a percentage of total expenditure.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 9.

1f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1f) Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	3% p.a. straight line
Fixtures, fittings & equipment	25% p.a. straight line and reducing balance
Motor vehicles	25% p.a. reducing balance

1g) Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in section 1c) above.

1h) Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Financial assets

Basic financial assets, which include debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including short term highly liquid investments are initially measured at fair value, with subsequent changes in fair value recognised in the Statement of Financial Activities. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are measured at cost less impairment.

Financial assets measured at amortised cost are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ii) Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1h) Financial instruments (continued)

Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1i) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1j) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1k) Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also operates a defined benefit scheme which is closed to new members. The contributions made to the scheme are as recommended by the Scheme Trustees and the independent actuary. The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

1l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1m) Going concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval. The Trustees and executive team are constantly monitoring the position of the charity and the ongoing situation in respect of COVID-19 and are taking actions to minimise the effect of the pandemic on the long-term reserves. At the balance sheet date the charity has healthy reserves and healthy cash balances. Under all scenarios reviewed, the Hospice has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

1n) Critical accounting judgements and key sources of estimation uncertainty

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

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

In preparing these financial statements, the Trustees have made judgements in determining the:

- value of accrued legacy income. The value depends on decisions regarding entitlement to the gift, probability of receipt and ability to value it with sufficient accuracy;
- impairment of tangible fixed assets. Factors taken in to consideration in reaching the decision include the availability of resources to continue service delivery at previous levels;
- useful economic life of tangible fixed assets. The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on future investments, economic utilisation and physical condition of the assets.
- application of going concern. The main judgement is the assessment of the group's cash and investment reserves and whether they were considered sufficient to meet operational commitments for the foreseeable future; and
- value of the pension obligation. The value depends on a number of factors, determined on an actuarial basis, using a number of estimated assumptions. The assumptions used in determining the valuation of the pension scheme obligation include the discount rate of 2.05% (2020: 2.30%), the Retail Prices Index (RPI) rate of 3.35% (2020: 2.90%) and the mortality rates. The discount rate is determined by considering the market yields on high quality corporate bonds, at the reporting date. Other assumptions are based on current market conditions. Additional information and relevant sensitivities are disclosed in note 21.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Donations and legacies

	Unrestricted funds	Designated funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£	£
Donations and gifts	1,468,278	-	1,655	1,469,933	1,593,302
Legacies	-	1,811,709	-	1,811,709	1,616,171
Department of Health	53,688	-	-	53,688	53,688
	<u>1,521,966</u>	<u>1,811,709</u>	<u>1,655</u>	<u>3,335,330</u>	<u>3,263,161</u>

For the year ended 31 March 2020

Unrestricted funds	1,645,377
Designated funds	1,616,171
Restricted funds	1,613
	<u>3,263,161</u>

3 Income from charitable activities

	Unrestricted funds	Designated funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£	£
Charitable activities	<u>3,783,795</u>	<u>-</u>	<u>2,447,844</u>	<u>6,231,639</u>	<u>2,915,501</u>

For the year ended 31 March 2020

Unrestricted funds	2,915,501
Designated funds	-
Restricted funds	-
	<u>2,915,501</u>

Included within income relating to charitable activities are:

Clinical Commissioning Group	2,973,635	2,591,455
NHS England COVID 19	2,447,844	-
	<u>5,421,479</u>	<u>2,591,455</u>

NHS England awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

4 Income from other trading activities

	Unrestricted funds	Designated funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£	£
Fundraising events	589,246	-	-	589,246	1,357,801
Income from commercial activities:					
- Charity shops	1,939,340	-	-	1,939,340	3,335,581
- Lottery	1,345,961	-	-	1,345,961	1,545,888
	<u>3,874,547</u>	<u>-</u>	<u>-</u>	<u>3,874,547</u>	<u>6,239,270</u>

For the year ended 31 March 2020

Unrestricted funds	6,239,270
Designated funds	-
Restricted funds	-
	<u>6,239,270</u>

Included within income related to Charity shops are:

COVID 19 related Local Authority Retail Grants	503,233	-
Job Retention Scheme Grant	530,821	-
	<u>1,034,054</u>	<u>-</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5	Investment income	2021	2020
		£	£
	Income from listed investments	123,145	181,926
	Interest receivable	7,318	16,541
		130,463	198,467

For the year ended 31 March 2020

Unrestricted funds		198,467	
Designated funds		-	
Restricted funds		-	
		198,467	

6	Other	2021	2020
		£	£
	Transfer of assets from The Donna Louise Trust	5,344,935	-
		5,344,935	-

In March 2021 the services of The Donna Louise Trust, a local children's hospice, were integrated in to the Douglas Macmillan Hospice. In connection with the integration of services assets with a value of £5,344,935 were transferred from The Donna Louise Trust to Douglas Macmillan Hospice. The assets transferred were comprised as follows:

Land and buildings		4,106,868	
Other debtors		301,453	
Cash at bank and in hand		936,614	
		5,344,935	

7 Analysis of costs of raising funds

	Direct costs	Support costs	Total 2021	Total 2020
	£	£	£	£
Fundraising Costs	354,250	-	354,250	651,503
Costs of commercial activities:				
- Charity shops	1,955,710	-	1,955,710	2,055,481
- Lottery	479,588	-	479,588	679,389
	2,789,548	-	2,789,548	3,386,373

For the year ended 31 March 2020

Unrestricted funds		3,386,373	
Designated funds		-	
Restricted funds		-	
		3,386,373	

8 Analysis of expenditure on charitable activities

	Direct costs	Support costs	Total 2021	Total 2020
	£	£	£	£
Inpatient Services	2,978,744	566,243	3,544,987	4,362,211
Medical	465,342	88,460	553,802	779,972
Day hospice	370,505	70,432	440,937	669,633
Community	2,143,979	407,559	2,551,538	2,351,733
Hospice at home	616,183	117,135	733,318	777,068
Wellbeing	695,296	132,172	827,468	556,097
Learning and Development	101,577	19,306	120,883	77,920
Children's Hospice	69,578	13,224	82,802	-
	7,441,204	1,414,531	8,855,735	9,574,634

Unrestricted funds		5,998,361	8,720,001
Designated funds		409,530	414,508
Restricted funds		2,447,844	440,125
		8,855,735	9,574,634

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Allocation of support costs

	Inpatient Services	Medical	Day Hospice	Children's Hospice	Community
	£	£	£	£	£
Governance	38,336	5,990	4,769	895	27,593
Finance	61,059	9,539	7,595	1,426	43,948
Information technology	135,778	21,211	16,888	3,172	97,727
HR & reception	99,328	15,517	12,355	2,320	71,492
Facilities & health and safety	67,815	10,594	8,435	1,584	48,811
Depreciation	163,937	25,610	20,391	3,828	117,995
General overheads	42,022	6,565	5,227	982	30,246
Defined benefit pension scheme	(42,032)	(6,566)	(5,228)	(983)	(30,253)
	<u>566,243</u>	<u>88,460</u>	<u>70,432</u>	<u>13,224</u>	<u>407,559</u>

Allocation of support costs (Continued)

	Hospice at home	Wellbeing	Learning & Development	Total 2021
	£	£	£	£
Governance	7,930	8,949	1,306	95,7
Finance	12,631	14,252	2,082	152,532
Information technology	28,088	31,693	4,631	339,188
HR & reception	20,547	23,185	3,387	248,131
Facilities & health and safety	14,028	15,829	2,313	169,409
Depreciation	33,912	38,266	5,590	409,529
General overheads	8,693	9,809	1,430	104,974
Defined benefit pension scheme	(8,694)	(9,811)	(1,433)	(105,000)
	<u>117,135</u>	<u>132,172</u>	<u>19,306</u>	<u>1,414,531</u>

Support costs are allocated in proportion to total expenditure. Salary, wages and related costs are allocated to the charitable activities undertaken on the basis of the direct salary, wages and related costs incurred by each charitable activities. Other non-salary support costs are allocated to the charitable activities undertaken on the basis of the total salary costs and direct costs incurred by each charitable activity.

10 Analysis of governance costs

		2021	2020
		£	£
Salaries, wages and related costs	Allocated on time basis	32,453	33,968
Audit fees (parent company)	Cost incurred	9,250	9,000
Premises costs	1.125% of total premises costs	19,276	21,724
Overheads	10% of overheads not included above	34,789	49,268
		<u>95,768</u>	<u>113,960</u>

11 Net income / (expenditure) for the year

	2021	2020
	£	£
Net income / (expenditure) is stated after charging:		
Depreciation	409,530	414,508
Loss on disposal of tangible fixed assets	-	8,689
Auditors' remuneration (group) - audit services	14,700	14,295
Auditors' remuneration (group) - non audit services	6,025	3,360
Operating lease charges - buildings	264,096	271,628

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12	Financial activities of the charity	2021 £	2020 £
	Gross income	18,442,604	11,900,940
	Total expenditure on charitable activities	(8,960,735)	(9,666,637)
	Fundraising costs	(2,305,250)	(2,670,761)
	Unrealised gains/ (losses) on investment assets	1,397,069	(577,193)
	Net income/ (expenditure)	8,573,688	(1,013,651)
	Total funds brought forward excluding pension reserve	14,401,705	15,415,356
	Total funds carried forward excluding pension reserve	<u>22,975,393</u>	<u>14,401,705</u>
	Represented by:		
	Unrestricted income funds	8,917,123	4,113,531
	Designated income funds	14,013,267	10,060,866
	Restricted income funds	45,003	227,308
		<u>22,975,393</u>	<u>14,401,705</u>

13 Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equity share capital:-

Name of subsidiary	Country of incorporation	% of equity share capital held
Douglas Macmillan Hospice Staffordshire Enterprises Limited	England & Wales	100
Douglas Macmillan Hospice Staffordshire Lotteries Limited	England & Wales	100

Douglas Macmillan Hospice Staffordshire Enterprises Limited

Summary of trading results

	2021 £	2020 Restated £
Turnover	20,617	62,117
Total expenditure	(4,710)	(36,223)
Profit for the year	<u>15,907</u>	<u>25,894</u>

The turnover from this entity is consolidated within total charity shop income reported in note 4 of these accounts. All profits in this subsidiary are distributed to Douglas Macmillan Hospice after the year end.

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Enterprises Limited were:

Assets	133,356	33,089
Liabilities	(117,447)	(7,193)
Funds	<u>15,909</u>	<u>25,896</u>

Douglas Macmillan Hospice Staffordshire Lotteries Limited

Summary of trading results

	2021 £	2020 Restated £
Turnover	1,345,961	1,545,888
Total expenditure	(451,084)	(679,389)
Profit for the year	<u>894,877</u>	<u>866,499</u>

The assets and liabilities of the Douglas Macmillan Hospice Staffordshire Lotteries Limited were:

Assets	1,207,829	1,187,041
Liabilities	(313,050)	(320,540)
Funds	<u>894,779</u>	<u>866,501</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were:

	2021	2020
	£	£
Wages and salaries	7,382,237	7,740,676
Social security costs	640,031	642,847
Pension costs	991,141	1,056,432
	<u>9,013,409</u>	<u>9,439,955</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021	2020
	Number	Number
£60,001 to £70,000	1	1
£70,001 to £80,000	1	1
£80,001 to £90,000	-	-
£90,001 to £100,000	1	-
£100,001 to £110,000	1	1

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021	2021	2020	2020
	Number	FTE	Number	FTE
Raising funds	99	86	103	86
Charitable activities	239	200	239	202
Governance	1	1	1	1
	<u>339</u>	<u>287</u>	<u>343</u>	<u>289</u>

Included within the analysis of staff costs is redundancy pay of £47,944 (2020 - £nil).

The key management personnel of the charity comprise the members of its executive management team. The total employee benefits of the key management personnel of the charity were £428,109 (2020: £424,799).

The trustees neither received nor waived any remuneration during the year (2020:£Nil).

The trustees did not have any expenses reimbursed during the year (2020:£Nil).

The charity has received no donations with conditions from the trustees during the year (2020:£Nil).

15 Pension costs
FPS defined benefit scheme

The charity contributes to a defined benefit scheme and the details are in note 21.

Contributions are made in accordance with the annual recommendations of a qualified independent actuary.

The contributions to this scheme in the year were £Nil (2020: £67,741). Also during the year shortfall payments in respect of a recovery plan have been paid totalling £154,671 (2020: £141,000).

Contributions are also made to a second plan (FPS Federated Flexiplan) in accordance with actuarial recommendations.

NHS defined benefit scheme

The charity also contributes to the NHS Pension Scheme, which is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2021, is based on valuation data as At 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The contributions to this scheme in the year were £249,421 (2020: £304,347).

Aviva/Nest defined contribution schemes

The charity also contributes to defined contribution schemes in respect of employees who do not qualify for the FPS scheme or the NHS scheme.

The contributions to these schemes in the year were £583,649 (2020: £546,593).

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Tangible fixed assets Group and company	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2020	8,446,382	1,519,957	9,966,339
Additions	4,106,868	65,761	4,172,629
Disposals	-	-	-
At 31 March 2021	<u>12,553,250</u>	<u>1,585,718</u>	<u>14,138,968</u>
Depreciation			
At 1 April 2020	3,316,781	1,166,331	4,483,112
Charge for the year	269,964	139,566	409,530
Disposals	-	-	-
At 31 March 2021	<u>3,586,745</u>	<u>1,305,897</u>	<u>4,892,642</u>
Net book value			
At 31 March 2021	<u>8,966,505</u>	<u>279,821</u>	<u>9,246,326</u>
At 31 March 2020	<u>5,129,601</u>	<u>353,626</u>	<u>5,483,227</u>

17 Fixed asset investments	Cash	Listed Inv.	Total	2020
	£	£	£	£
Market value at 1 April 2020	128,234	5,560,870	5,689,104	6,303,221
Additions at cost	(2,865,582)	2,865,582	-	-
Disposals at carrying value	2,989,060	(2,989,060)	-	-
Change in value in the year	-	1,397,069	1,397,069	(577,193)
Other movement in cash balance	(35,976)	-	(35,976)	(36,924)
Market value at 31 March 2021	<u>215,736</u>	<u>6,834,461</u>	<u>7,050,197</u>	<u>5,689,104</u>
Historical cost at 31 March 2021	<u>215,736</u>	<u>6,111,462</u>	<u>6,327,198</u>	<u>6,355,345</u>

The following investments made up more than 5% each of the total market value of listed investments or bonds at 31 March 2021.

	2021	2020
	£	£
Maitland Institutional Services MI select Managers Fund	623,670	429,500
Vanguard Funds PLC S&P 500	<u>541,819</u>	<u>600,400</u>

Summary of Investments

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Investment in subsidiary companies	-	-	4	4
Other investments	7,050,197	5,689,104	7,050,197	5,689,104
	<u>7,050,197</u>	<u>5,689,104</u>	<u>7,050,201</u>	<u>5,689,108</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18	Stock	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Stock in hand	3,074	5,221	-	-
		<u>3,074</u>	<u>5,221</u>	<u>-</u>	<u>-</u>

19	Debtors	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trade debtors	358,682	1,221	358,682	1,221
	Amounts owed by subsidiary undertakings	-	-	516,765	-
	Other debtors	2,547,898	1,104,180	2,547,898	1,104,180
	Prepayments and accrued income	5,061	18,382	5,061	18,382
		<u>2,911,641</u>	<u>1,123,783</u>	<u>3,428,406</u>	<u>1,123,783</u>

20	Creditors: amounts falling due within one year	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trade creditors	10,240	140,334	-	130,885
	Amounts owed to subsidiary undertakings	-	-	-	324,067
	Other creditors	590,611	400,568	292,163	116,240
	Taxes and social security	166,797	160,696	166,797	160,696
	Accruals and deferred income	217,611	494,917	210,806	488,366
		<u>985,259</u>	<u>1,196,515</u>	<u>669,766</u>	<u>1,220,254</u>

21	Pension and other post-retirement benefit commitments	Defined benefit pension plans	
		2021	2020
		£	£
	Employee benefit obligations		
	a) The amounts recognised in the balance sheet are as follows:		
	Present value of funded obligations	11,497,000	10,841,000
	Fair value of plan assets	(9,760,000)	(8,597,000)
	Deficit	<u>1,737,000</u>	<u>2,244,000</u>
	Present value of unfunded obligations	-	-
	Unrecognised past service cost	-	-
	Irrecoverable surplus	-	-
	Net pension liability recognised before tax	<u>1,737,000</u>	<u>2,244,000</u>
	b) The amounts recognised in the statement of financial activities are as follows:		
	Current service cost included in staff costs within total resources expended	-	-
	Past service cost	-	-
	Net pension finance costs included within total resources expended:		
	Interest on obligation	244,000	258,000
	Expected return on pension scheme assets	(194,000)	(209,000)
		<u>50,000</u>	<u>49,000</u>
	Total	<u>50,000</u>	<u>49,000</u>
	Actual return on scheme assets over the period	<u>1,487,000</u>	<u>(281,000)</u>

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Pension and other post-retirement benefit commitments (continued)

c) Included with other recognised gains and losses:

	2021	2020
	£	£
Return on assets, excluding interest income	1,293,000	(490,000)
Impact of surplus restrictions	-	-
Change in irrecoverable surplus	-	-
Actuarial gains/(losses) on liabilities	(891,000)	363,000
	<u>402,000</u>	<u>(127,000)</u>

d) Changes in the present value of the scheme liabilities:

	2021	2020
	£	£
Opening liabilities	10,841,000	11,527,000
Current service cost	-	-
Past service cost	-	-
Interest cost	244,000	258,000
Contribution by scheme participants	-	-
Actuarial (gains) / Losses	891,000	(363,000)
Benefits paid	(479,000)	(581,000)
	<u>11,497,000</u>	<u>10,841,000</u>

e) Changes in fair value of the scheme assets:

	£	£
Opening fair value of scheme assets	8,597,000	9,318,000
Expected return	194,000	209,000
Actuarial gains	1,293,000	(490,000)
Contributions by employer	155,000	141,000
Contributions from scheme participants	-	-
Benefits paid	(479,000)	(581,000)
	<u>9,760,000</u>	<u>8,597,000</u>

f) The major categories of scheme assets are as follows:

	2021	2020
	£	£
Equity	3,535,000	2,690,000
Bonds	1,523,000	1,438,000
Diversified funds	3,658,000	3,073,000
LDI	984,000	1,357,000
Cash	43,000	15,000
Annuity contracts	17,000	24,000
	<u>9,760,000</u>	<u>8,597,000</u>

g) Principal actuarial assumptions used by the actuary at the balance sheet date

	2021	2020
	%	%
Discount rate at 31 March	2.05	2.30
Rate of inflation (RPI)	3.35	2.90
Rate of inflation (CPI)	2.95	2.20
Rate of salary increase	2.50	2.50
Rate of increase to pensions in payment		
- Pre 1997 (Discretionary)	0.00	0.00
- 1997 - 2009 (RPI max 5%)	3.25	2.90
- Post 2009 (RPI max 2.5%)	2.20	2.10

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Pension and other post-retirement benefit commitments (continued)

g) Principal actuarial assumptions used by the actuary at the balance sheet date (continued)

Expected life expectancies on retirement at age 65 are:	2021	2020
	Years	Years
Males retiring immediately	19.90	19.80
Females retiring immediately	23.20	23.10
Males retiring in 20 years time	21.80	21.70
Females retiring in 20 years time	25.10	25.00

22 Financial commitments

Commitments under operating leases

As at 31 March 2021 the group was committed to making the following payments under non-cancellable operating leases as set out below:

	2021	2021	2020	2020
	Land &	Other	Land &	Other
	buildings	£	buildings	£
	£	£	£	£
Group:				
Operating leases which expire:				
Within one year	281,694	49,733	299,215	12,017
Between two and five years	311,075	92,377	471,178	2,681
After five years	16,667	-	36,667	-
	609,436	142,110	807,060	14,698
	2021	2021	2020	2020
	Land &	Other	Land &	Other
	buildings	£	buildings	£
	£	£	£	£
Company:				
Operating leases which expire:				
Within one year	261,819	49,733	263,548	12,017
Between two and five years	300,575	92,377	445,699	2,681
After five years	16,667	-	36,667	-
	579,061	142,110	745,914	14,698

23 Capital commitments

	Group and	Group and
	Company	Company
	2021	2020
	£	£
Contracted, not provided for	-	-
	-	-

24 Company limited by guarantee

Douglas Macmillan Hospice is a company limited by guarantee and accordingly does not have share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes:

	Movement in funds				Balances at 31 March 2021 £
	Balances at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	
Inpatient unit refurbishment	34,607	-	-	(34,607)	-
NHS England	-	2,447,844	(2,447,844)	-	-
Other specific purposes	192,701	1,655	-	(149,353)	45,003
	<u>227,308</u>	<u>2,449,499</u>	<u>(2,447,844)</u>	<u>(183,960)</u>	<u>45,003</u>

Purposes of the funds

The inpatient unit refurbishment fund represents donations received for refurbishment and modernisation of the inpatient unit.

NHS England awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

Specific purposes represents various donations made where the donors have asked that the monies be utilised to fund a specific aspect of the hospice's activities or to purchase particular items of equipment.

26 Designated funds

The income funds of the charity includes the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balances at 31 March 2021 £
	Balances at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	
Fixed assets fund	5,483,227	-	(409,530)	4,172,629	9,246,326
Legacy equalisation fund	4,577,639	1,811,709	-	(1,622,407)	4,766,941
	<u>10,060,866</u>	<u>1,811,709</u>	<u>(409,530)</u>	<u>2,550,222</u>	<u>14,013,267</u>

The fixed assets fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of all assets.

The legacy equalisation fund has been designated by the trustees to provide for expenditure in future years. The trustees recognise the unpredictable nature of this source of income and have set aside funds to provide for expenditure not covered by income from other sources.

The transfer to the fixed asset fund is in respect of fixed asset additions in the year now designated by the trustees as part of the fixed asset fund and also fixed assets transferred from restricted funds.

The transfer from the legacy fund is to reflect the amount transferred to unrestricted income previously designated by the trustees. The amount is calculated on the multi year average of legacy income.

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

27 Analysis of group net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	-	9,246,326	-	9,246,326
Investments	7,050,197	-	-	7,050,197
Current assets	2,868,091	4,766,941	45,003	7,680,035
Current liabilities	(985,259)	-	-	(985,259)
	8,933,029	14,013,267	45,003	22,991,299
Pension reserve	(1,737,000)	-	-	(1,737,000)
Group net assets	7,196,029	14,013,267	45,003	21,254,299

28 Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net income for the reporting period	9,070,700	(1,048,801)	9,080,688	(1,048,651)
Adjustments for:				
Depreciation charges	409,530	414,508	409,530	414,508
Loss on disposal of tangible fixed assets	-	8,689	-	8,689
Increase in investment cash balance	(87,502)	(32,441)	(87,502)	(32,441)
(Gains)/ losses on investments	(1,397,069)	577,193	(1,397,069)	577,193
Actuarial (gains)/ losses	(402,000)	127,000	(402,000)	127,000
Dividends, interest and rents from investments	(130,463)	(198,467)	(130,463)	(198,467)
Difference between pension charge and cash contributions	(105,000)	(92,000)	(105,000)	(92,000)
Decrease in stocks	2,147	7,800	-	-
(Increase)/ decrease in debtors	(1,787,858)	66,042	(2,304,623)	65,316
(Decrease)/ increase in creditors	(211,256)	179,838	(550,488)	248,790
Net cash provided by operating activities	5,361,229	9,361	4,513,073	69,937

29 Analysis of net cash balances

	1 April 2020 £	Cash flow £	Non-cash changes £	31 March 2021 £
Cash at bank and in hand	3,322,779	1,442,541	-	4,765,320
Fixed asset investments	5,689,104	(35,976)	1,397,069	7,050,197
	9,011,883	1,406,565	1,397,069	11,815,517

DOUGLAS MACMILLAN HOSPICE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

30 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
Financial assets					
Measured at fair value through net income / expenditure:					
Fixed asset listed investments	17	7,050,197	5,689,104	7,050,201	5,689,108
Debt instruments measured at amortised cost:					
Trade debtors	19	358,682	1,221	358,682	1,221
Amounts owed by subsidiary undertakings	19	-	-	516,765	-
Other debtors	19	2,547,898	1,104,180	2,547,898	1,104,180
		<u>2,906,580</u>	<u>1,105,401</u>	<u>3,423,345</u>	<u>1,105,401</u>
Financial liabilities					
Measured at amortised cost					
Trade creditors	20	10,240	140,334	-	130,885
Amounts owed to subsidiary undertakings	20	-	-	-	324,067
Other creditors	20	590,611	400,568	292,163	116,240
Taxes and social security	20	166,797	160,696	166,797	160,696
Accruals and deferred income	20	217,611	494,917	210,806	488,366
		<u>985,259</u>	<u>1,196,515</u>	<u>669,766</u>	<u>1,220,254</u>

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
Financial assets measured at fair value through net income / expenditure	17	1,397,069	(577,193)	1,397,069	(577,193)

31 Funds held on behalf of third Parties

Douglas Macmillan Hospice is providing administrative services to Symptom Control in Palliative Care. As part of this service Douglas Macmillan Hospice receives an administration fee.

Neither income nor the expenditure (with the exception of the administrative fee income) has been accounted for in the Statement of Financial Activities. Balances held in these bank accounts at the year end do not form part of the charity's assets and are not included in the balance sheet.

32 Related party transactions

There were no related party transactions during the year (2020: £Nil).