WILLOW FOUNDATION

England & Wales · Charity number 1106746

Details

Status	Registered
Legal form	Charitable company
Company number	05207070
Registered	2004-11-12
Register	View on the Charity Commission register

Contact

Address	Willow Gate House Fretherne Road Welwyn Garden City AL8 6NS
Phone	01707259777
Email	info@willowfoundation.org.uk
Website	www.willowfoundation.org.uk

Activities

Objects: THE RELIEF OF YOUNG PERSONS BETWEEN THE AGES OF 16 AND 40 AND OTHERS IN THE COMMUNITY WHO ARE SUFFERING FROM SERIOUS ILLNESS OR HANDICAP BY THE FUNDING AND THE PROVISION OF FACILITIES WHICH ENHANCE THE QUALITY OF LIFE OF SUCH PERSONS.

Activities: Willow supports seriously ill 16 to 40 year olds throughout the UK to get more out of life by providing unique and unforgettable Special Days and Special Treats. For some it gives a positive focus away from diagnosis and treatment and may be a final chance to create lasting memories. For others it marks recovery, boosting confidence and providing motivation to move forward with their lives.

Classification

- **How:** Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, People With Disabilities

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Geography

- **Area of benefit:** UNITED KINGDOM
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,923,552	£3,975,891	£2,951,986	50
2023-12-31	£3,400,972	£3,509,510	£2,758,661	44
2022-12-31	£2,856,012	£2,726,520	£2,740,070	38
2021-12-31	£2,252,963	£2,229,680	£3,074,856	37
2020-12-31	£2,172,953	£2,065,291	£2,790,469	40

Trustees

Name	Role	Appointed
RICHARD KING	Chair	
DAVID WADDINGTON MA RAF		2015-12-16
Elena Ciallie		2017-06-27
GLYN DEREK TAYLOR		2019-04-11
Jack Matthew Wrigglesworth		2025-10-31
James David Newman		2024-09-27
Martin John Ryan		2020-05-18
Nick Aldridge		2015-06-03
PAUL PHEDON		2023-02-03
Sangita Vadilal Manilal Shah		2024-06-14
Vanessa Steel		2021-09-24

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WILLOW FOUNDATION

England & Wales - Charity number 1106746

Accounts

willow

special days for seriously ill young adults



Willow Foundation Annual Report and Financial Statements 2024

Willow Foundation is a registered charity in England and Wales No. 1106746 and a registered charity in Scotland No. SC045811. It is a company limited by guarantee number 5207070, registered in England and Wales.

Trustee statement

The trustees present their report and the audited financial statements for the year ended 31 December 2024. Reference and administrative information set out on page 69 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

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25 years of **Special Days**

2024 was a landmark year for Willow as we proudly celebrated our 25th anniversary. What began as a vision to bring light and hope to lives overshadowed by treatment and hospital visits has grown into a nationwide movement of compassion, resilience and joy.

This year, our impact reached further than ever before. We expanded the range of experiences we provide, from unforgettable days out and restorative short breaks, to thoughtfully designed treat boxes that bring moments of happiness directly into people's homes. Each experience offers beneficiaries the chance to step away from the daily challenges of illness and enjoy precious time with family and friends.

Marking 25 years was also an opportunity to reflect on how far we have come and to look ahead with ambition. We could not have achieved this without the dedication of our supporters, partners, volunteers and staff, who together make Willow's mission possible. Their commitment ensures that every young adult we reach is given the gift of time, memory and joy.

As we look forward, Willow remains determined to grow our reach, deepen our impact, and continue building a future where every seriously ill young adult has the chance to experience the hope and happiness they deserve.

Stevie



Stevie from Watford is living with Duchenne Muscular Dystrophy. Willow organised a meet and greet with Arsenal players at the Emirates stadium, which was a dream come true for him to share with his son Rowan and wife Faye, who shared: "One particular day really brought it home for me how precious life is. We were on a family day out when Stevie got ill extremely quickly. He had gone into cardiac arrest. When he eventually regained consciousness in the hospital, I made a promise to myself that I'd somehow make his dream come true, and that's exactly what happened when Willow arranged our Special Day.

"Meeting Mike Arteta, Declan Rice, Martin Odegaard and Bukayo Saka, it was a feeling I can't describe. Odegaard then took Rowan on to the pitch where they were practicing together. Seeing my husband watch his son play football with one of his heroes is something I can't put into words. Our Special Day wasn't just a day out. The joy we experienced on that day helps us to keep carrying on. Stevie and I both agree that we want to know that we have done everything we can to make Rowan's dreams come true, and our day at Arsenal was certainly an experience we will remember forever".

Our year in numbers

In 2024 we...

Provided **777** days out or breaks to young adults living with life-threatening conditions



Celebrated **25** years of making a difference

Welcomed four new ambassadors: Aaron Ramsdale, Alex Newman, Dan Field and Tom Rosenthal





Sent bespoke treat boxes to **480** people



Brought our Special Treats service in-house

Helped **750** children to join their seriously ill parent on a Special Day



Supported **112** young adults living with a less-survivable cancer

Increased our volunteer hours by 24% on 2023

Opened our 8th charity shop





Launched two new events – Williamson's Walk and Catch of the Day

About **Willow**



Willow creates bespoke experiences and gifts to help seriously ill 16 to 40-year-olds across the UK make precious memories with their loved ones.

Each year thousands of young adults across the UK are diagnosed with a life-threatening illness. When they should be enjoying the prime of life, they're dealing with stress, isolation, invasive treatment and hospital appointments.

We're dedicated to helping young adults take much needed time out from the reality of living with serious illness, creating magical moments that become lasting memories. From treat boxes to experiences at home for all the family, fun packed days out and quiet breaks away from it all; we offer the chance to spend quality time with family or fulfil a lifelong dream. In the toughest times, Willow creates life-affirming experiences that boost morale and bring loved ones together to create precious memories.

Willow was founded in 1999 by former Arsenal goalkeeper and TV presenter, Bob Wilson OBE and his wife Megs, as a lasting memorial to their daughter Anna, who died of cancer aged 31. The inspiration for Willow came from Anna's determination to live every moment to the fullest, despite the most difficult circumstances.

Bob and Megs started Willow from their spare room and grew it into the charity it is today. In early 2023, they invited long-standing Willow ambassadors David Seaman MBE and his wife Frankie Seaman to work alongside them as Honorary Presidents of Willow. Megs passed away in November 2023 and Bob, David and Frankie continue to be actively involved with the charity.

Since 1999 our team has created more than 22,000 special experiences and as part of our growth plans we hope to deliver 1,400 more in 2025.

Letter from our Chair of Trustees

Richard King



It is with great pride that I introduce Willow's Annual Report and Accounts for 2024 - a year in which we marked our 25th anniversary by supporting more seriously ill young adults than ever before.

The experiences Willow provides, whether a treat box, a relaxing break or a dream-come-true day out, offer more than just a welcome distraction from treatment and appointments. They create space for joy, connection and treasured memories at a time in life when everything feels uncertain. Nobody expects to face a life-threatening illness in our teens, twenties or thirties, yet for thousands every year, this becomes their reality. That's why Willow's work is so vital.

In 2024 alone, we fulfilled wishes for 1,257 young adults and their families, which was 45 more than we had planned. Behind these numbers are real stories of hope, laughter and togetherness - the very essence of what Willow is all about. And yet, with around 21,000 young adults diagnosed with a life-threatening condition every year, we know there's so much more to do. That's why we've developed bold plans to scale up our services over the next five years, aiming to double the number of people we support annually by our 30th anniversary in 2029. We can only achieve this with your continued support.

We've also identified key groups who are currently underrepresented across our services, including those facing financial hardship, rare or less-survivable illnesses, and shorter prognoses. We'll be working closely with partners, health professionals and supporters to ensure no one misses out on the chance to make precious memories at a time when they really need our support.

This past year has also seen us open our eighth charity shop, launch two new ambassador-led events and bring our Special Treats service in-house, making it more personalised and cost-effective.

I want to take a moment to thank everyone who made all this possible- our dedicated staff and growing volunteer network; our generous supporters and partners; our founders, Bob and the late Megs Wilson, whose legacy continues to shape all that we do; and our trustees who bring a wealth of expertise and unwavering commitment. And, of course, I want to pay tribute to the young adults we support, whose resilience and honesty continue to inspire us all.

Thank you for believing in the power of these special moments. Together, we've made unforgettable experiences possible, and together we can do even more. Here's to creating brighter moments for more young adults in 2025 and beyond.

Warm regards,



Richard King
Chair of Trustees
Willow Foundation

Our first year as **Honorary Presidents**



When we were invited to become Honorary Presidents of Willow, we knew what a privilege it would be. But looking back over our first year, we can honestly say it has been even more rewarding than we ever imagined.

Standing on stage together at the London Football Awards, speaking about Willow's work, and seeing the passion in the room for the charity was an incredibly proud moment for both of us.

From there, it's been a year filled with unforgettable events, each one reinforcing why Willow is so important to us. In April, David took part in the annual Willow Shoot, while Frankie ensured that all the guests were looked after, as she takes time to do at every event that she attends. Soon after, David swapped his shotgun for golf clubs at the Willow Golf Classic, another highlight in Willow's packed events calendar.

August saw us fronting one of the most exciting new ventures of the year - Willow's first ever fishing event, Catch of the Day with David Seaman. This was particularly close to David's heart, not only because of his love of fishing but because he was able to help shape the event from the very beginning. From creating social content to bringing sponsors on board, it was wonderful to see the idea come to life and raise vital funds.

In September, David hosted Willow's inaugural 'An Evening With...' event, where he interviewed his former manager, Arsène Wenger. It was a truly special night that celebrated football and friendship, while raising support and awareness of Willow.

Meanwhile, Frankie played a key role behind the scenes through her work on the Willow Ball Committee, which helped to shape one of Willow's most glamorous nights of the year. The ball is always a highlight for us, and this year we were delighted to attend and speak together, sharing just why Willow's work matters so deeply.

Perhaps most importantly, throughout the year we've also been able to introduce Willow to new supporters and feed into plans to work more closely with ambassadors and celebrity supporters. One very special new major donor we were able to connect with Willow has gone on to make an extraordinary impact, including becoming headline sponsor of the London Football Awards in 2025.

Looking back, our first year as Honorary Presidents has been full of laughter, teamwork, and above all, the joy of seeing Willow's mission come alive through every event and every supporter we've met. We feel incredibly proud to play our part in helping Willow create more unforgettable moments for seriously ill young adults, as we forge head into our second year, we feel privileged to be able continue our work and to honour the legacies of Anna and Megs.

David Seaman MBE and Frankie Seaman



Mission, vision, **values**

Our values



We are caring



We cherish people and time



We are all about special relationships



We have the courage to imagine otherwise

Our belief

We believe in quality of life and quality of time

Our vision

Young adults with life-threatening illnesses and those close to them are able to take full advantage of what life has to offer

Our mission

To improve the quality of life of young adults aged 16 to 40 with life-threatening illnesses through the provision of our services

Our aim

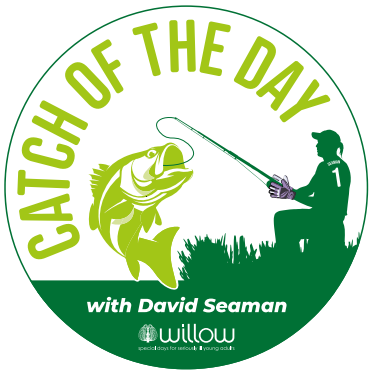
To offer a special day to every seriously ill young adult in the UK

Our year.

In 2024 we...











Growth

- Raised more than £3.9m income
- Opened a new shop in Hitchin, Hertfordshire
- Introduced two new ambassador-led events – Catch of the Day with David Seaman and Williamson's Walk with Lioness Leah Williamson
- Raised the profile of Willow nationally by engaging health professionals working in under-represented spaces

Financial sustainability

- Saw a large growth in our legacy income stream, funded by several generous residual gifts
- Focused on long-term, mutually beneficial partnerships across companies, trusts & foundations and philanthropic supporters that will deliver income year-on-year
- Recruited two new trustees - Sangita Shah who has a wealth of experience in finance and has also joined the Finance & Audit Committee, and James Newman who has a background in corporate affairs
- Onboarded four new ambassadors working in different fields to help reach a wider audience
- Invested in developing our supporter database to streamline and improve engagement methods

Service delivery

- Created bespoke days out, breaks away and treat boxes for 1,257 seriously ill young adults
- Launched our companion survey to help us to understand the wider impact of a Special Day
- Brought our treat box provision in-house and adapted the service in response to feedback from beneficiaries and medical professionals





Why Willow is **needed**

Being diagnosed with a life-threatening illness has a considerable effect on many aspects of life. Along with the direct impact receiving such news can have on our beneficiaries' mental health, many will also feel that they have lost their sense of identity, becoming merely a hospital patient.

Our beneficiaries often mention that relationships with loved ones are put under strain as they become a patient and carer, while others feel guilt over missed opportunities to be involved with their young children's lives. This impact stretches far beyond mental health, as such an illness can impact a person's ability to do regular paid work, forcing them to reduce their hours or take medical retirement. This, combined with the financial burdens of regular travel to and from medical appointments, increased utility bills and the need for a partner to take on an unpaid caring role, means that many of those we support would not be able to afford the experiences that Willow provide, by themselves.

The lasting impact a Willow experience has on the lives of our beneficiaries

When surveyed after their Special Day, our beneficiaries were asked what impact their day had on their lives:

100% said it provided something to look forward to

99% felt it helped them to spend quality time with loved ones

95% told us it gave them an experience they could not afford otherwise

99% said it gave them the opportunity to create memories

97% found it was a focus away from their illness



99% found it had a positive impact on their mental health





**Data correct on 7 Jan 2025*

Unforgettable **memories**



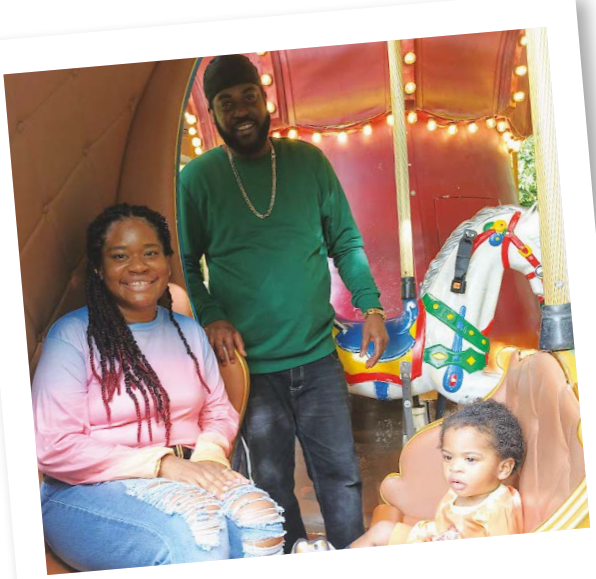
Caolan

Caolan is 20 and lives in County Down. He is receiving treatment for a brain tumour. For his Special Day, he chose a trip to London with his family to see Chelsea play Tottenham.

"My diagnosis has completely changed my life and I am now much less active. My trip to London was great, a time I will never forget! It was an unreal experience and dream come true for me. I would do it over again a million times if I could."

His brother Liam said: "We won't forget these memories - being at Chelsea football ground, being so close to the players and even meeting a few (including Thiago Silva!).

"I'll remember how speechless and happy it made my younger brother and the positive impact it had on him. It was nice to have plenty of time together as a family, not just at the game but for the whole break."



Shantel

Shantel is 34 and lives in Leeds. She went into heart failure while pregnant and underwent a heart transplant. A trip to Legoland gave Shantel, her husband Renfold and Sire, their 16-month-old son, some much-needed time together.

"After such a trying year of doctors visits and surgery, this experience made me feel a sense of normalcy and great joy.

"I loved seeing the happiness and joy on my son's face. That little smile kept me going many days.

"Thank you for this wonderful opportunity!"



Our services

2024 was a great year for our services:

We supported **1,257** seriously ill young adults

That's **45** more than we had originally planned for the year

This took us up to an amazing **22,275 beneficiaries** supported since the charity started in 1999

480 young adults were able to select items from a list of luxury gifts, pamper products and sensory toys, making their treat box tailored to their individual needs

An amazing **3,459** people whose lives have been affected by serious illness were able to enjoy a fun-packed day out or relaxing break away with their loved ones last year. This includes **777** beneficiaries and the friends, family and carers who accompanied them

We received an average of **102** Special Day applications each month

We approved applications from **593** different medical referrers

We used **487** different suppliers to make the Special Days happen

The largest Special Day in 2024 was a party with **200** guests!





Who we supported in 2024

Special Days and Breaks

2024, Willow helped seriously ill 16 to 40-year- across the UK make lasting memories by creating bespoke days out or breaks away.

From overnight city breaks to relaxing spa days, thrilling theme park trips to seeing their favourite sports team or musical artists live, our Special Days and Breaks were enjoyed by 777 beneficiaries and their loved ones.

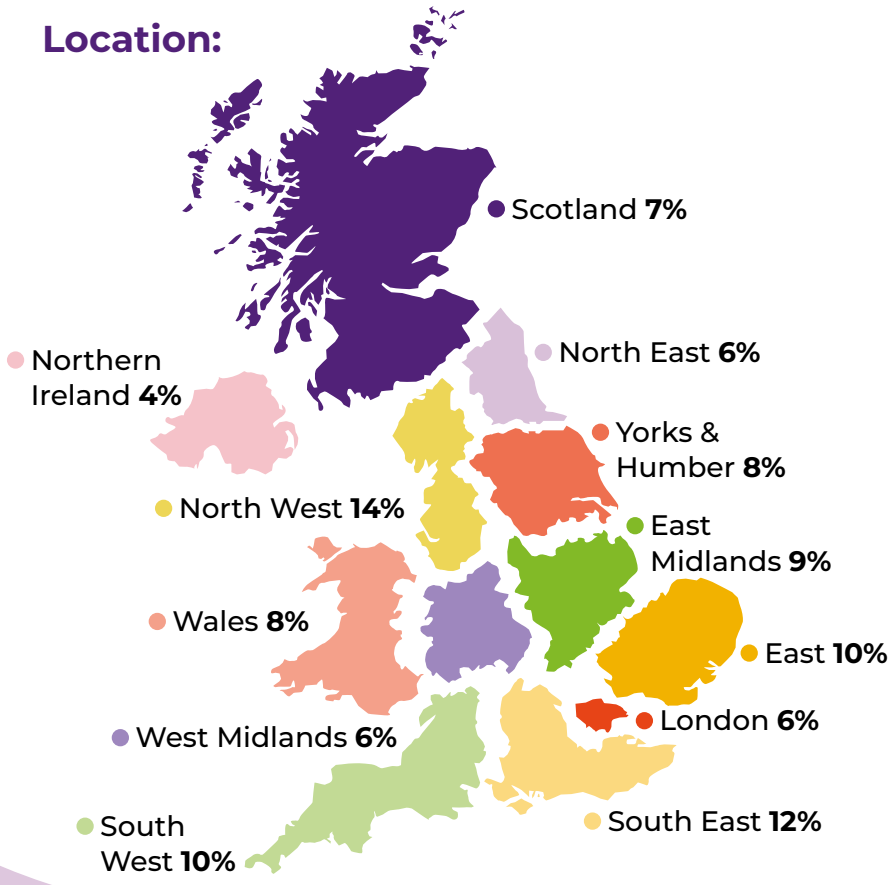
Gender:

- Identified as female **66%**
- Identified as male **33%**
- Identified as non-binary **1%**

Age:

- 16-20 **10%**
- 21-30 **37%**
- 31-40 **53%**

Location:



Condition:

Cancer

Gastro-Intestinal	50
Gynaecology	45
Haematology	163
Head and Neck	10
Neurology	58
Other	265
Sarcoma	39
Urology	31

Non-Cancer

Haematology	6
Neurodegenerative	44
Organ Failure	20
Other	28
Respiratory	18

Curable vs incurable:

Curable	48%
Incurable	52%



Who we supported in 2024

Special Treats

Our treat service ensures that those with incurable and advanced illnesses can take a moment out from days filled with medical appointments and treatments. Beneficiaries may have a condition or be undergoing treatment that prevents them from taking part in a day out or break away. Our bespoke treat boxes contain items such as card games and sensory toys, giving them the opportunity to make memories with their families. Last year, we provided bespoke treat boxes to 480 people.

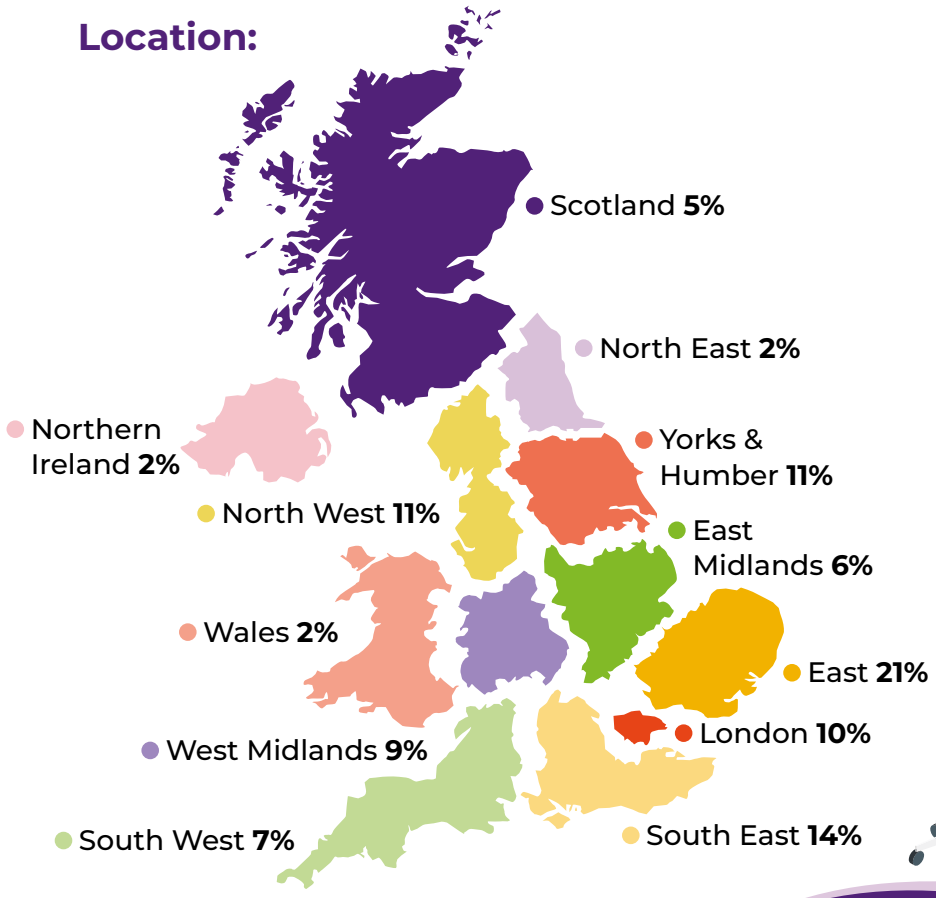
Gender:

- Identified as female **60%**
- Identified as male **40%**

Age:

- 16-20 **30%**
- 21-30 **39%**
- 31-40 **31%**

Location:



Condition:

Cancer

Gastro-Intestinal	18
Gynaecology	18
Haematology	28
Head and Neck	8
Neurology	24
Other	52
Sarcoma	12
Urology	3

Non-Cancer

Neurodegenerative	215
Organ Failure	67
Other	10
Respiratory	25

Curable vs incurable:

Curable	10%
Incurable	90%



Unforgettable **memories**



Jasmine

Our coordinator Fiona arranged a Special Day watching the Jonas Brothers for 26-year-old Jasmine from Halesowen, who has been undergoing treatment for Burkitt lymphoma.

"My Special Day was incredible. I know there must have been so much organisation in the background. My friend Fran and I had the most wonderful time and the whole evening felt like a dream.

"It made me forget about the events of the last year and made it so I could totally be myself, despite my illness. This time last year the mere thought of leaving the hospital or house felt alien and I can't believe I was able to go.

"I never thought in a million years that I would get the opportunity to be in the same room as the Jonas Brothers, let alone meet them! It was such a fun night which I will remember forever. I still cannot believe this actually happened and I will remember that day for the rest of my life."

Phil

Phil , 39, from Hertford is living with pancreatic cancer. Willow organised a Special Day in London for him and his partner, which included a meet and greet on the Eastenders set.

"I have had to change everything to adapt to the new way I have to manage my cancer and the treatment and hospital visits.

"Me and my partner had a great time on my Special Day in London. We stayed the night and went for some amazing food. The next day we had a great behind-the-scenes tour of Eastenders, which is a money can't buy experience. It was amazing to do as it's my favourite show."



Using feedback to develop **and grow**

Feedback is very important to the Willow team. We use it to understand what we are doing well, and where we can improve our services to better meet the need.

We currently send a survey to each beneficiary in the weeks following their Special Day, asking for feedback on their day and the impact the experience has had on them.

In April 2024, we introduced a companion survey which is sent to people who accompany a beneficiary on their Special Day. This could be a parent, partner, carer or friend. It gives us a different perspective to the beneficiary survey and is an opportunity to gain more valuable and actionable feedback.

Our annual survey of our medical professionals provides invaluable insight into our services from the viewpoint of someone who refers their patients to Willow. Their feedback has helped us to identify improvements in our treat box service, such as including options for more sensory items or products for young men.

Lucas

Lucas from Leeds requested a Special Day in London seeing Mamma Mia the musical. His friend Fiona, who joined Lucas on his Special Day, said:

"Seeing my friend enjoy themselves and feeling special was just so amazing. They felt like they were giving us something back too for any support we give, which of course we are all happy to. We have never laughed so much in one day and I just can't express how great the whole experience was for everyone involved.

"It isn't often that everything is made so accessible and supportive. The communication and the experience made the whole weekend so enjoyable and carefree."



The ripple effect of a **Willow Special Day**

In 2024, we supported 1,257 young adults whose lives had been affected by serious illness. But the impact of a Special Day does not stop there. Friends, family and carers' lives are often changed beyond recognition by their loved one's diagnosis, so the chance to spend time together not thinking about anything other than their experience provides much-needed respite for all.

We are pleased to have been able to give 3,459 people the opportunity to make wonderful memories together in 2024, which included 750 children spending precious time with a seriously ill parent.

Phetsile

Phetsile is 37 and lives in Hertfordshire. She chose a Special Day at Thorpe Park with her family to provide some respite during her treatment for metastatic colon cancer.

"Having cancer for the second time and facing the possibility that it can't be treated this time around has left me feeling hopeless.

"I am a nurse by profession, but I was forced to stop working due to my ill health, leaving my husband as the sole provider. I am the one who normally looks after our children, but the recurrent hospital admissions have meant my husband had to take time off from work, which has subsequently affected our finances.

"This trip came at a time when we really needed it and words are not enough to express our sincere gratitude. Due to financial constraints, we have not had a family vacation in years. We had a really great time and fun as a family. We had the opportunity to appreciate each other and truly enjoy the time we have with each other. The activities offered at the park were so much fun and we really made a lot of beautiful memories together."



Pictures by Phetsile's children Beth (7) and Tatenda (8)

Unforgettable **memories**

Reece

Eighteen year-old Reece from Dunbartonshire has been diagnosed with osteosarcoma. His Special Day Coordinator Mary organised an Ultimate Passenger Experience at Knockhill Racing for Reece, his parents Claire and Stephen, and his brother and sister.



Claire tells us about the Special Day: "It was a fabulous Special Day for us all, especially seeing how much Reece enjoyed himself. He used to really enjoy go-karting with his friends, but unfortunately when he got cancer in his arm it became too sore and weak so he couldn't do it. Having had surgery he most probably won't be able to do it again.

"This was a lovely day out which meant a lot for us as a family. Seeing Reece happy, smiling and chatty was lovely. He loved every minute. Making memories is so important but so hard. We are very grateful and thankful to Willow for arranging this fun day and not only paying for it but also giving us money for dinner and fuel too. It was such a wonderful treat for us all."

Kirsty

Kirsty, 37, from Hull, has undergone treatment for a rare kidney cancer. We arranged a cabin stay for her and her two sons, William and Henry, in Sherwood Forest – a place that means a lot to her.



"My diagnosis of stage four incurable Squamous cell carcinoma of the renal pelvis has impacted my children more than anything. Their whole world will change in every way, so I've just been as strong as I can be for them.

"Sherwood Forest is a place that means a lot to me as my mum took me when I was younger and I sadly lost her to ovarian cancer seven years ago. I wanted to share it with my boys and make special memories enjoying the history and the beauty of it. The four days together was unbelievable. We spent our days exploring the forests, climbing trees, watching the wildlife, relaxing in the hot tub, watching movies or playing cards and board games in the cabin.

"To be able to have a few days away together, away from electronics, and just be us was everything. For the first time in months my cancer wasn't the forefront of our lives. We were able to enjoy me being mummy again. Thank you so much Willow for making our Special Break so incredibly amazing. I am so grateful for it and cannot thank you enough for letting me and my boys have this time together. After my diagnosis I wanted quality of life over quantity, and these memories will last us a lifetime."

Special Day **Volunteers**



Volunteers play a key part in all aspects of our service. We started the year with only a few volunteers supporting Special Days. With the team's focus on providing opportunities for more volunteers to be involved and bringing our Special Treats service in-house, we have increased our volunteer numbers from three to 15.

Engaging health professionals to **increase referrals**

Our Medical Advisors work closely with health professionals across the UK to help us reach more groups who may benefit from our services. They also ensure that everything we plan is safe and appropriate for the needs of our beneficiaries.

"My role at Willow provides an opportunity to redress the balance by providing the patient and their loved ones an opportunity to look forward to a Special Day, and simply enjoy an activity, putting illness aside for a while." Elaine, Medical Advisor at Willow

We have been working on promoting our services to those who may not have heard of Willow, with a focus on young adults with rare diseases. Through targeted promotion we have been able to reach beneficiaries at palliative care units based in hospitals, hospices, renal units and transplant centres. We have also built relationships with other UK based charities and organisations.

"The days out that Willow has provided for these young people means they can access opportunities that they would not normally be able to, make amazing memories with their families and be included the same as everyone else. We cannot thank you enough for providing this support to the wonderful young people that we work with." Claire - Transition Navigator at Demelza Hospice



Partnering with other **charities**

Rare Disease Day



As part of our work supporting seriously ill young adults aged 16 to 40, we have been actively reaching out to young people living with rare diseases. Support networks for these groups and services that specifically focus on quality of life are equally rare, and this is where Willow gives vital hope and relief to families. In February, our medical advisors attended a Rare Disease Day event at Guy's and St Thomas' in London for those involved in caring for patients living with rare diseases. It was a great opportunity to mark Rare Disease Day, raise awareness of Willow's work and broaden our network of referring medical professionals. We introduced our services to more than 450 contacts in the medical community and handed out leaflets to encourage them to refer their patients to Willow.

Pink Ribbon Foundation



We were grateful for the funding received from Pink Ribbon Foundation, which has helped create special moments for beneficiaries living with secondary breast cancer. Chrissie was diagnosed with triple-negative breast cancer in October 2023 after discovering a small lump. She underwent intensive chemotherapy, surgery and radiotherapy but later learned the cancer had spread to her brain.

"I'm a great believer that if I can't change the outcome or end, I make the best of what I can. Spending time with my friends and family has been precious. I got the opportunity to enjoy a spa day with my mum and sister, an experience I won't forget. It was just a perfect day that I would not have been able to experience without Willow and Pink Ribbon. I will forever be grateful."

We were sad to hear that Chrissie passed away a few months after her Special Day.

Angelman Day

To mark International Angelman Day on 15 February, we worked with Angelman UK to co-organise a group experience for young people living with Angelman's syndrome and their families. Two hundred families went on the four-night break at Alton Towers. We were able to fund eight of these families, who, without our funding, would have not been able to attend.



Each year, Alton Towers closes its doors to the public to allow the Angelman community to enjoy its facilities. The young adults with additional needs are able to explore and experience activities which would usually be too overwhelming. This successful pilot initiative has led us to apply for further funding to arrange group experiences for families affected by rare conditions.

Cancer in Common



Vicky and Sian from our Special Days team attended a Cancer In Common event at Eastcheap Records in London. This recently established charity does incredible work by connecting individuals within the cancer community, offering a space for friendships, shared experiences, and building valuable support networks.

It was a great opportunity to chat with attendees, spread the word about Willow's mission, and hear stories from those whose lives have been touched by cancer. They also met several people who had already experienced the joy of a Willow Special Day or treat box.

Developing our **skills**



The Special Days team took part in a training session delivered by the MPS Society, which supports people with rare genetic diseases. The aim of this session was to gain more information about the different types of conditions, how they relate to Special Days and what some of the difficulties people with the MPS diseases can face. It was really informative and gave the team lots of ideas on how we could better support these individuals.

The team also attended a course at The Hospice of St Francis in Berkhamsted where they learned about compassionate conversations, how sympathy and empathy are different, how to make good introductions, to know what to ask and how to be comfortable with silence. The learnings from this course will help us to broach difficult topics and be empathetic when working with beneficiaries and their families to arrange their Special Day.

Jerome

Jerome is 28 and is from Suffolk. Following surgery for sarcoma, we arranged a Special Break at Sykes Cottages for him, his fiancé Daniel and their dog Chip.



"My cancer has affected my ability to do all the things that I had once enjoyed - eating, socialising, going on holiday and exercising. Treatment has been tough, and recovery has been even more difficult. Luckily, I have had an amazing support system and team of healthcare professionals who have supported my recovery.

"It was lovely to have a Special Break to look forward to. I felt happy whilst away with my fiancé and our puppy. Visiting somewhere new and creating exciting memories was delightful. The three of us had a great time. We even managed to tire out Chip by the end of it all."

Bringing our treat box **service in-house**

Our Special Treat service ensures that beneficiaries whose condition or situation prevents them from taking part in a day out or break away can still access Willow's services. Being able to choose the items that make up their treat box, such as pamper products, cuddly toys, technology, sweet treats or sensory items, means each box is bespoke and contains exactly what the beneficiary needs.

Since they were introduced in 2021, our treat boxes have always been packed and sent by a third party. In August 2024 we brought the service in-house and it is now managed by the Special Days team. We are now responsible for the ordering of stock and are working with new suppliers and small businesses which enables us to offer a wider range of gifts. These are then picked, and the boxes packed and posted, by some of our wonderful volunteers. The cost savings we've seen from this are helping us to increase the number of bespoke treat boxes we are able to send to people who need them.



George

''I first heard about Willow on the internet, through a special needs support group, and in all honesty, the treat boxes sounded a bit too good to be true!

"It wasn't long after I'd submitted my online request that George's treat box arrived. It was beautifully packaged and generously filled with the bespoke assortment of treats I'd chosen specifically for him.

"George needs a great deal of help with every aspect of life; from personal care to walking, from feeding to dressing. Despite his difficulties, he's a happy young man who loves life and is incredibly social and keen to have fun. He's also non-verbal and communication is extremely limited, but it was clear from the moment George set eyes on his Willow treat box he was delighted!



"As a family, our hearts have been filled by the simple act of receiving something so thoughtful. The fact that George was chosen to receive a box of goodies tailor-made for him means so much more than its component parts. The knowledge that people care about and value the lives of George and others like him enough to take the time and trouble to send something so kind-hearted is what makes the Willow treat box and everything it represents so very special. Thank you, Willow."

George's mum Helen shared how much his treat box meant not only to him, but also to his family.

Funding our **service**

Willow raises its charitable income through a broad fundraising model. We receive no statutory funding and rely solely on the generosity of supporters. Our fundraising platform can be split into three key areas:

1. Donations – our donations income is mainly generated from trusts and foundations, community groups, individual giving, legacies, corporates and through challenge activities. In 2024 these activities raised 48% of our total gross income, delivering a Return on Investment (ROI) after all overhead cost allocation of 3.08.

2. Fundraising events - events remain a key fundraising activity for the charity. The costs of the events are funded by income from the activity itself, not funded by donations received elsewhere in the charity. In 2024 our major fundraising events contributed 26% towards our total gross income with an ROI after all overhead cost allocation of 1.30.

Large fundraising events have for many years provided a significant and important proportion of income. Events also bring the added benefit that a person who has engaged with our charity as a guest at our signature events could become a regular giver or introduce other fundraising to our charity. However, due to how events income is generated, the ROI is not as high as more traditional ways of raising income.

3. Our shops - Willow shops offer a sustainable, regular income to our charity. It is a commercial activity and therefore with associated costs – these costs are covered by income from the trading itself, not covered by donations received elsewhere in the charity. Our retail operation (eight shops) contributed 24% of our total gross income in 2024 with an ROI after all overhead cost allocation of 1.16. Retail trading provides financial resilience since the income is regular and long-term. It also raises awareness of our message, service and other fundraising initiatives in the local area. However, due to the high level of trading costs such as rent, rates and staff costs, the ROI is again lower than other ways of raising income.

Major events, together with our retail operation, reduce our overall charitable spend ratio but offer a significant net contribution to the charity that in 2024 has allowed us to fund 22% of our services. As such Events and Retail remain a key part of our income generation going forward.

Our Board of Trustees and Leadership Team approve and review Willow's fundraising strategy. They are committed to continuing Willow's diversified fundraising approach and have agreed on Willow's key focus which is to continue to work towards fundraising sustainability and improved ROIs. Broadly this will involve:

- A focus on multi-year donor relationships that offer an element of sustainability in the long-term, building on our legacy initiatives and growing our regular giving
- Greater use of volunteers across the organisation, including in fundraising
- A commitment to increase fundraising event income. To aid this goal we are introducing new events that benefit from a more cost efficient set up
- The continued expansion of the retail operation will offer an increase in contribution towards services

Note – During 2024, the remaining 2% of Willow's gross income not mentioned above is from investments and small-scale trading activities.

Willow Fundraising

In 2024, our fundraising activity, including legacies, raised £3.9m. This was achieved against a backdrop across the sector of the rising cost of living, which meant some supporters may not have been able to give as much as in previous years. We are grateful to every supporter who gave so generously during the past year.

Trusts & foundations

Over a 10-year period, Willow has developed long-term relationships with trusts and foundations. Every year we aim for incremental growth by reaching out to trusts we believe could have a connection with our cause. Unrestricted donations enable us to allocate funds to areas where they are most needed. As our services are nationwide, and across all life-threatening conditions, Willow also offers a range of restricted funding opportunities to match the preferred giving criteria of a trust.

During 2024, trusts funded experiences for seriously ill young adults from every corner of the UK, from Glasgow to Somerset and Wales to Lincolnshire. We also received trust funding to deliver projects that focused on beneficiaries living with specific conditions, including breast cancer and lymphoma, along with the six 'less survivable cancers' - lung, liver, pancreatic, brain, oesophageal and stomach cancer. As a result, we saw the highest ever number of young adults living with these cancers represented in our beneficiary pool. We thank our trust partners for making this happen. A special thank you goes to The Roger Counter Foundation and the Chadwick Charitable Trust for their generous support over many years.

Individual supporters



We are grateful to the many individuals who made a one-off donation, the people who responded to our appeals and key supporters who made significant philanthropic gifts. We are especially appreciative to supporters who make a regular donation. Supporting Willow on a regular basis forms the backbone of our fundraising as it enables us to plan our memorable experiences for seriously ill young adults with certainty.

We launched a range of new offerings to help people give in memory of someone they have lost. We worked with our ambassador Alex Newman (pictured) on a video to promote our partnership with MuchLoved. The platform enables us to offer supporters the opportunity to create a tribute page in celebration of their loved one. Alongside this, we launched Take Time to Remember, encouraging supporters to come together to share laughter, moments and memories. These new initiatives are the first steps in our bid to grow options for people giving in memory of a loved one.

March saw the Willow Raffle go live, with a new first prize of a three-night break at Center Parcs. This new prize was very popular, and we saw an increase in ticket sales on previous years.

Continued on the next page >>>

Willow

Fundraising



<<< The year ended with our Christmas Appeal, “Bring Joy.” The appeal was fronted by Willow beneficiary, Jess (pictured right), and focused on the joy that a treat box brings to those who receive them. The headline ask was to fund one complete treat box. The appeal was a collaborative project that saw us work with Keech Hospice, Future Dreams, beneficiaries and volunteers to create a heartwarming and engaging appeal.

Challenge and community

Our supporters pushed themselves to their limits in 2024, completing some monumental challenges across the UK and around the world while raising considerable amounts of money to support Special Days. These included trekking Machu Picchu in South America, completing four marathons in one day, a three peaks challenge and many more throughout the year. Thank you to all our supporters who have taken on their own challenges for Willow.

The London Marathon in 2024 was a historic one for the charity as not only did our 10 fundraisers raise over £30,000, Willow was part of a Guiness World Record attempt. Jackie Scully, who had a Special Day with Willow in 2014 marked her 10 years clear of breast cancer with a Guinness World Record attempt for the fastest team of 10 people in a costume. The team, who ran as a London bus, were successful in their attempt and are now world record holders.





Events

In our Major Events space, we kicked off the year by celebrating the 10th anniversary of the London Football Awards, at The Roundhouse. There was a fantastic turnout from footballers past and present with the likes of Harry Redknapp, Declan Rice, Sam Kerr and Cole Palmer present on the night to accept their awards. The evening is always a great way for Willow to attract new supporters, while raising vital funds and awareness of the charity.

Alongside our usual calendar of events, we introduced two new annual events to our portfolio. With support from Willow Ambassador Leah Williamson, we held a new virtual walking event – Williamson's Walk. We asked people to walk 20km, the distance from Emirates Stadium to Wembley. We had people joining from across the UK, and many shared their progress on their social media, helping us to reach new audiences.

The second new event we added was Catch of the Day, led by David Seaman. Held on St Johns Lake at Linear Fisheries in Oxfordshire, guests joined David and influencers from the angling world to compete to catch the largest carp and catfish across the weekend. The event had a lovely atmosphere, and guests heard first hand stories from David about his passion for both football and fishing.

In November, we celebrated at Willow's 25th Anniversary Ball. The fantastic evening was hosted by our ambassadors Mary Nightingale and Natasha Kaplinsky, with entertainment from Alfie Boe and Mica Paris. On the night, we celebrated a key supporter of Willow, Bob Weston, as he was presented with the 2024 Willow at Heart Award. Thanks to our sponsors and supporters who made it all possible. We were thrilled to end the year with the announcement of the new headline sponsor of our London Football Awards 2025. MIQ, a programmatic media partner, will be sponsoring the event along with a number of the individual awards. We are excited to see where we can take the event with their support.



Partnership **spotlight**





Our corporate partners are crucial to the success of our fundraising activities. They support Willow in different ways, from raising much-needed funds through staff fundraising activities or cause-related marketing to attending and sponsoring our key events such as the London Football Awards or the Willow 10K.

We have also benefitted when companies activate cause related marketing initiatives or donate auction items that help us raise much-needed funds.

Importantly, many companies also donate gifts-in-kind that help us to deliver Special Days or gain access to money can't buy opportunities. We have been looking at ways to increase this type of support throughout the year.

We are fortunate to have several long-term partners who all believe in the power of Special Days. A big thank you goes to Frogmore, H&G Recruitment, HSS Hire, ICAP Charity Day, Red Letter Days, Weston Homes and Wrights Estate Agents for their ongoing and unwavering support.



10 years of working with De Vere

We are celebrating 10 years of support from our wonderful partners De Vere Hotels.

Along with gifting stays in their hotels to help us to fulfil Special Days, they also regularly donate raffle prizes, deliver cause-related marketing through their "give at checkout" function and encourage staff fundraising and volunteering, with employees running the Willow 10K, holding quiz nights and helping out at the London Football Awards.

Thank you to De Vere for your ongoing support.



New partnerships in 2024

Stevenage FC

We're excited to have been chosen as Stevenage Football Club's charity partner for the 2024/25 season. The Willow logo will sit front and centre of their third kit.

The club's CEO Mike Pink said, "We are delighted to have partnered with Willow Foundation as our Official Charity for the 2024/25 season. We look forward to working with them on a number of initiatives to help raise awareness and funds in support of the great work they do".



Scamp & Dude

Clothing brand Scamp & Dude launched a fabulous new line which honours secondary breast cancer campaigner Nicky Newman and her message to 'go grab life'.

Willow is one of the three charities benefiting from the sales of the jumpers, t shirts, scarves and tote bags.



Harkness Roses 1879

In October, we partnered with Harkness Roses to create the Memories & Moments Rose. This beautiful rose was chosen in support of Willow, with a donation being received from every sale.

Harkness Roses joined us at our new shop opening in Hitchin to talk about the rose, with the official launch taking place at the Willow Ball. The Memories & Moments Rose offers a new and unique way for supporters to engage with Willow and has been well received.



Willow on the **high street**

Our shops are a vital sustainable revenue stream to fund our services, and an important channel for us to raise awareness of our work.

In 2024, we traded from eight Willow shops. This included trading from our fantastic new location in Hitchin in line with our retail strategy of opening additional shops.

Despite the challenging conditions throughout the year, we achieved £132k profit to invest in the provision of Special Days, which was in line with our expectations. This was thanks to the hard work and incredible commitment of our shop teams, and generous donations from our supporters.

The resilience of our retail model is attributable to a combination of factors:

Shopping experience: A contemporary and boutique look shop fit, our unique style allows us to stand out from other charity shops on the high street and our friendly atmosphere encourages customers to return.

Choice: We offer huge choice with constantly changing ranges that encourage frequent visits to discover new items, and our customers love the thrill of discovering the unexpected.

Sustainability: We offer genuine sustainability, not just in extending the life of products we sell but in our shop fits, the social benefits of the jobs and volunteering opportunities we create, the high streets we support and the funds raised for our life enhancing services.

We believe the combination of an extraordinary shopping experience, choice and sustainability our shops provide makes us increasingly relevant and resilient. In line with the sector, we continue to successfully address the challenges of staff and volunteer recruitment and retention, and despite this being extremely difficult, achieve better than sector positions.



Our ambassadors

We have more than 20 ambassadors and a large pool of celebrity advocates who support Willow's work in various ways. They help raise funds and awareness of Willow through different channels which can include attending events, being interviewed by the media, posting on social media or donating their time to auction lots.

In 2024, we continued to grow our ambassador network and brought four new ambassadors on board:

Aaron Ramsdale



Aaron has played in goal for Arsenal, Southampton and England. He won Goalkeeper of the year at the London Football Awards in 2023. Aaron has represented England at all levels from under-18 to the senior team and is the latest in the line of former Arsenal goalkeepers helping to spread the word about Willow.

Alex Newman



Alex's wife Nicky had a Willow Special Day in 2021. Nicky had stage 4 breast cancer and publicly documented her cancer journey on social media amassing a huge following and becoming somewhat of an influencer.

Nicky sadly passed away in 2023 and Alex has continued to fundraise in her memory, taking over her social channels and using them to raise much needed funds for Nicky's chosen charities, one of which is Willow.

Dan Field



Dan has been a professional golfer since 1998 and the Head Professional at East Herts Golf Club since 2006. Since turning professional Dan has played on the Euro Pro, Challenge Tour, the ANZ tour and regularly plays in tournaments in his PGA region. Dan will be our Golf Pro Ambassador, supporting us with all things golf.

Tom Rosenthal



Tom is an actor and stand-up comedian and starred in Friday Night Dinner, Plebs and Dad's Army: The Lost Episodes. Son of our long-standing ambassador Jim Rosenthal, Tom has been instrumental in recruiting comedians for our successful comedy nights.

Our People





The Willow Team

Our Willow Team remained consistent in 2024, with some growth following the opening of our newest shop in Hitchin. We ended the year with 35 FTE charity employees and 17.5 FTE retail employees.

We continue to operate a hybrid working model in the charity and maintain an ongoing dialogue with our team about the advantages and challenges of this model, considering the coverage of this topic in the media and business circles. We are delighted that employees recognise and appreciate our approach, as demonstrated by the response to our employee survey question, "I am happy with the flexible working practices at Willow" scoring 100% agree.

In 2024, we moved forward with our Disability Confident Employer accreditation, along with our Herts Healthy Workplace accreditation. We look forward to building on both accreditations in 2025. We were delighted to report that 100% of employee survey respondents agreed with the statement, "I am proud to work for Willow."

We thank all our staff for their hard work and dedication in making 2024 a successful year.

Volunteers

We are delighted to report that our volunteer hours grew by more than 30% in 2024 on the previous year. We continued to focus on providing meaningful volunteering opportunities that really make a difference in supporting our teams, and ultimately our beneficiaries and supporters.

In 2024, we were gifted 30,164 hours by our volunteers across all areas of the charity. Using the current National Minimum Wage rate, this equates to a value of £345,081 or the equivalent of over 15 full-time employees.

In 2025, we also look forward to achieving our Volunteer Six Point Promise accreditation, demonstrating our commitment to volunteer good practice.

We thank all of our volunteers for their hard work and support in 2024.



Our People

Remuneration

The decision regarding pay increases is primarily informed by benchmarking our salaries through participation in the Brightmine Voluntary Sector Salary Survey and, specifically for Retail, in the participation and reporting of the Charity Retail Association.

Our priority is to ensure that salaries are paid at market level rates, and we will first address any salary anomalies where this is not the case. Consideration will then be given to individual performance and position within an employee's pay band.

In 2024 we were keenly aware of the continued pressures of the cost-of-living crisis and our salary review process reflected this as we implemented an across the board pay award. A pay increase for any individual above 10% requires further higher-level approval from the Governance Committee.

The pay of the Chief Executive and Leadership Team is also reviewed and approved by the Governance Committee. The same terms and conditions and pension provisions apply to all staff.



Our plans for 2025 and beyond

This year we will embark on a range of new projects, each with our beneficiaries at its heart. Our strategy includes ambitious plans to double the number of people Willow supports over the next five years. This means by our 30th anniversary in late 2029 we intend to be helping 2,400 seriously ill young adults each year to make magical memories with their loved ones.

We have developed some key themes which will ensure that we continue to reach those who need us most, and these will shape our priorities as we move into the first phase of our growth plan:

Medical urgency

Young adults who have a degenerative condition or have been given a short prognosis.



Those least supported

This includes groups who struggle to find support elsewhere due to the nature of their illness.



Representation and diversity

We strive to be an inclusive charity and our focus in this area will ensure that our support is representative of a range of patient groups across age, gender, region, ethnicity, disability and more.



Financial situation

We will continue to support those facing financial hardship, whether as a result of their medical condition or otherwise. This will include those on low incomes, from areas of deprivation or who have had to give up work because of their illness.



Our plans for 2025 and beyond

In 2025, we will...



Growth

- Support 1,400 beneficiaries across days, breaks and treat boxes
- Maintain or improve quality standards within our service delivery
- Attract new supporters across all income streams
- Undertake a refresh of the Willow brand
- Develop and deliver a digital communications strategy to get us in front of new audiences and ensure our digital channels are effective and efficient
- Develop our ambassador strategy and maximise the use of this key resource across Willow's plans and activities



Financial sustainability

- Raise at least £4 million to fund the growth in our services
- Increase sponsorship opportunities
- Grow our volunteer database and ensure we are maximising opportunities
- Prioritise sustainable giving methods
- Improve supporter journeys to increase long-term engagement



Impact and Service Delivery

- Deliver projects to support more people who are currently under-represented in our service delivery, as identified in our themes
- Report on quantitative impact statistics
- Capture a wider range of voices
- Introduce a three-stage survey to better capture impact data and feedback
- Look at ways to get Willow better known across the UK

Income and Expenditure

Income

2024 net deficit after spending on charitable services and fundraising was a loss of £52,000.

Total income raised in 2024 was £3,924,000, an increase of £523,000 (15%) over 2023 due to growth in our major fundraising events and several legacies as well as expansion of our retail operation.

Income from fundraising events increased against the prior year by £201,000 (24%) due mainly to a very successful 25th Anniversary Ball. Additionally we launched a new annual event, Catch of the Day and brought back our 'An Evening With' event which was hosted by David Seaman and Arsène Wenger.

Legacy income increased by over £300,000 during 2024 due to one very large legacy and several smaller legacies received in the year.

Retail shop income increased by £95,000 (11%), as we opened one new shop in Hitchin and had a full year of activity at our shops that opened during 2023.

Expenditure

Expenditure on raising funds increased against last year by £198,000 (10%). There was, as planned, increased activity and spend in all income generating areas which led to income growth as outlined above. This included:

- £79,000 (11%) extra spend on fundraising events due to the larger Anniversary Ball and additional events in the year
- £90,000 (13%) extra spend on running retail shops due to the new shop opening and a full year of costs for the two new shops which opened in 2023

Expenditure on our charitable services increased by £269,000 (18%) as we pushed to expand our service with growth in the number of Special Days given of 9% and an improvement to our Special Treats service by moving it in-house. We also invested in volunteer growth in this area.

Reserves policy

All charities are required to consider how much they need to hold in reserves. The extent depends upon the scale and nature of the charity's activities.

At Willow we hold reserves to ensure that in the event of a downturn in income or substantial fluctuations in cash flow, the charity can continue to meet its commitments to Special Days and Treats and to operate for at least six months. Willow's general fund is currently £1,334,000 which equates to seven months of all costs (excluding the direct spend on charitable activities already covered within the special days reserve). This general fund is therefore in line with the reserves policy.

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<<< Willow holds restricted and unrestricted reserve funds. Unrestricted funds are composed of designated funds held for specific purposes and general funds that can be used for any activity in pursuit of the charitable objectives of Willow.

Restricted funds are outstanding balances on funds that have been donated for a specific purpose.

At 31 December Willow held the following levels of reserves:

	Dec-24	Dec-23
Unrestricted funds:		
General funds	1,334,000	1,227,000
Designated funds:		
Fixed Assets Reserve	88,000	84,000
Special Days Reserve	804,000	674,000
Investment Reserve	502,000	479,000
Retail Expansion Reserve	116,000	174,000
Restricted funds	108,000	121,000
Total funds	**2,952,000**	**2,759,000**

Our designated reserves at the end of the year totalled £1,510,000 (2023 £1,411,000). They are made up of:

- Fixed Assets Reserve - this reserve allows for the depreciation of fixed assets and is equal to the net book value of the fixed assets in the charity.
- Special Days Reserve - a reserve to cover the costs of fulfilling applications for Special Days and Treats where the applications have already been received and the service will be delivered in the next financial year. This is set at six months of our direct spend on charitable activities. Our 2024 direct spend on charitable activities was £1,608,000 and therefore £804,000 reflects six months of costs.
- Investment Reserve - represents 20% of our investment portfolio and allows for fluctuations in the market value of investments.
- Retail Expansion Reserve – represents the cash required to expand the charity shop retail chain from the current 8 shops to 10 shops which is planned to happen over the next year.

Our general reserve is the balance of unrestricted funds, at year end it represented 7 months of total expenditure (excluding the direct spend on charitable activities already covered within the special days reserve).

Investments

Willow's governing document permits the trustees to invest the assets of the charity. These investments give assurance that Willow can continue to effectively operate in the short term in the event of a downturn in income.

The Finance & Audit Committee review investment performance quarterly and meet with the Investment Manager, Quilter Cheviot Investment Management, every 3 months to review investment strategy. Willow keeps investments for the medium to long term and does not set annual targets for performance.

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<<< The Manager operates within an agreed asset allocation and guidelines on the size of individual holdings.

As a charity concerned with seriously ill young people, investment in manufacturers of tobacco is expressly prohibited. In addition to our desire not to invest in tobacco products, we have also agreed to Quilters ethical investment policy.

Our investments were valued at £2,507,000 on 31 December 2024 (£2,395,000 on 31 December 2023), an increase of 5%.

Principal risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance.

In managing risk, trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken.

It also means that trustees can make the most of opportunities and develop them with the confidence that any risks will be managed.

How we manage risk

Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur.

The Senior Management team regularly reviews all existing risks on the register as well as emerging risks and actions to mitigate risks.

The key risks are reviewed twice a year by the trustees.

The trustees are satisfied that key risks have been identified; that there is sufficient internal accountability and control and that mitigating actions have been identified for each risk.

Risks rated high in probability of occurrence and impact, as at December 2024:

1. Donors are supporting the Life President, rather than Willow's cause, and will withdraw support once the Life President is less active.
2. Loss on investments.
3. Loss of a major donor.

What we do to manage these risks

1. Fundraising and communications strategy based on building support for our cause.
2. Introduction of Honorary President roles, income diversification and regular CEO review.
3. Funds managed by professional investment managers, working within risk profile specified by the Finance & Audit Committee.
4. Quarterly review with Investment Manager and designated reserve held against investment loss.
5. Careful and active stewardship of existing major donors, ensuring limited reliance on the individual steward.
6. Increased numbers of philanthropic and transactional partners.

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Governance

Legal Structure and purpose

Willow is a charitable company limited by guarantee (registered number 5207070) and a registered charity in England and Wales (charity number 1106746) and Scotland (charity number SC045811).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 9 August 2004 and amended on 28 February 2013, 12 January 2015 and 3 February 2023. On 1 January 2005, the assets and activities of the Willow Foundation, a charity established in 1999 and constituted by trust deed, were transferred to this charity. The charity currently has one wholly-owned subsidiary trading company, Willow Events Limited, which was dormant during 2024.

The object of Willow is to enhance the quality of life for seriously ill or handicapped young people aged 16 to 40 years old throughout the UK.

Charity Governance Code

The trustees are committed to good governance and follow the Charity Governance Code to develop and ensure Willow follows high standards of governance. Willow has a Governance Committee in place who are charged with ensuring high standards of governance. The Committee meets twice a year and reviews terms of office, pay proposals, Chair and Trustee succession planning, policies and the Governance Manual.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning.

Subsidiary undertaking

Willow owns 100% of the shares in Willow Events Limited, a company established in 2005 (company no. 5352056) to undertake commercial activity of benefit to the charity. Willow Events Limited was dormant during 2024 and, should it start trading again then any future profits would be donated to the charity.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. Trustees are the directors of the company and serve for renewable terms of three years.

The Board comprised eleven trustees as at 31 December 2024. Trustees have a wide range of skills and experience appropriate to the governance of the activities of Willow.

The Board meets at least four times each year to regularly review and direct Willow's strategy, budget and performance. The day-to-day management of the charity is currently delegated by the Board of Trustees to the Executive Team. Specific responsibilities are also delegated to various committees described below.

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<<< From time to time the Board reviews the skills of the Trustees against the skills required to direct the affairs of the charity. Where skill gaps are identified, succession and recruitment plans are developed and implemented. The Board of Trustees appoints all new trustees and committee members through a variety of recruitment methods including formal search and word of mouth.

An induction programme is offered to all new trustees and further updates and training are provided as required. This includes meetings with the Chair, members of the Executive Team and where possible a Special Day beneficiary.

The Committees

All Willow Committees meet at least two times a year and minutes of their meetings are presented to the Board of Trustees by the Chair of each Committee.

The Finance & Audit Committee reviews the charity's annual financial statements, audit matters, investment performance and internal financial controls.

The Retail Committee advises on the charity's shops, the Governance Committee advises on effective governance and Trustee Board membership and the Growth and Strategy Committee focuses on developing income growth through collaboration, ideas and support.

Fundraising

Willow uses a diverse range of fundraising activities to raise vital funds towards the delivery of our service. Our Board of Trustees and Leadership Team are committed to building trust with our supporters.

We are registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. We did not use any professional fundraisers or commercial participators during 2024, other than to seek sponsorship for the London Football Awards. We monitor fundraisers and volunteers in all aspects of their fundraising and in line with the Code of Fundraising Practice and we provide materials and support to fundraisers and review and provide feedback on performance.

We endeavour to adhere to all codes and best practices set out by the codes and the General Data Protection Regulations.

Our quality assurance also includes regular reviews of complaints and other feedback, as well as regular audits and mystery shopping. In 2024 we recorded and responded to ten complaints.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake and have a Safeguarding Children and Vulnerable Adults policy in place which has been approved by the Board of Trustees.

Going Concern Statement

The Trustees have reviewed the accounts as well as the charity activities, budgets and plans for 2025 and 2026, reserves positions up to the date of signing off these accounts and the group risk register.

The Trustees have reasonable expectation that Willow will remain a going concern for the foreseeable future which is determined to be at least 12 months from the signature date of these accounts.

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Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charity was put to the Board of Trustees on xxx August 2025.

Statement of responsibilities of the trustees

The trustees (who are also directors of Willow for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2024 was 11 (2023: 10). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

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<<< The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 15 September 2025 and signed on its behalf by:

Richard King
Chair of trustees

Auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLOW FOUNDATION

Opinion

We have audited the financial statements of Willow Foundation (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2024 and of its 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,
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

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Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

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- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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.

Joanna Pittman
15 September 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Willow Foundation

Statutory accounts

For the year ended 31 December 2024

Willow Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

	Note	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Income from:					
Donations and legacies	3	1,302,565	583,847	**1,886,412**	1,653,097
Fundraising events	4	1,023,062	-	**1,023,062**	822,280
Retail shops	4	932,110	-	**932,110**	837,331
Other trading activities	4	18,138	-	**18,138**	13,512
Investments	5	63,830	-	**63,830**	74,752
Total income		**3,339,705**	**583,847**	**3,923,552**	3,400,972
Expenditure on:					
Raising funds	6				
Donations and legacies		612,888	-	**612,888**	573,116
Fundraising events		784,678	-	**784,678**	705,273
Retail shops		800,257	-	**800,257**	710,746
Other trading & investments		8,428	-	**8,428**	19,471
Charitable activities:	6				
Provision for seriously ill young adults		1,172,501	597,139	**1,769,640**	1,500,904
Total expenditure		**3,378,752**	**597,139**	**3,975,891**	3,509,510
Net expenditure before net gains on investments		(39,047)	(13,292)	**(52,339)**	(108,538)
Net gains on investments	13	245,664	-	**245,664**	127,129
Net income / (expenditure) before other recognised gains and losses		206,617	(13,292)	**193,325**	18,591
Gains / (losses) on sale of fixed assets		-	-	**-**	-
Net movement in funds		206,617	(13,292)	**193,325**	18,591
Reconciliation of funds:					
Total funds brought forward		2,637,577	121,084	**2,758,661**	2,740,070
Total funds carried forward		2,844,194	107,792	**2,951,986**	2,758,661

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Willow Foundation

Balance sheet

Company no. 5207070

As at 31 December 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	12		**88,279**		83,558
Investments	13		**2,507,469**		2,394,864
			2,595,748		2,478,422
Current assets:					
Stock	14	**3,743**		4,568	
Debtors	15	**559,768**		376,725	
Cash at bank and in hand		**175,766**		249,762	
		739,277		631,055	
Creditors: amounts falling due within one year	16	**383,039**		350,816	
Net current assets			**356,238**		280,239
Total assets less current liabilities			**2,951,986**		2,758,661
Total net assets			**2,951,986**		2,758,661
Funds:	20a				
Restricted income funds			**107,792**		121,084
Unrestricted income funds:					
Designated funds		**1,509,773**		1,410,531	
General funds		**1,334,421**		1,227,046	
Total unrestricted funds			**2,844,194**		2,637,577
Total charity funds			**2,951,986**		2,758,661

Approved by the trustees on 15 September 2025 and signed on their behalf by

Richard King, Chair of Trustees

Willow Foundation

Statement of cash flows

For the year ended 31 December 2024

	Note		**2024**		2023
		£	**£**	£	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	21		**(234,010)**		(138,305)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**63,830**		74,752	
Proceeds from the sale of fixed assets		**-**		-	
Purchase of fixed assets		**(36,875)**		(96,029)	
Proceeds from sale of investments		**398,692**		588,958	
Purchase of investments		**(257,946)**		(640,705)	
(Increase)/decrease in cash in investment portfolio		**(7,687)**		2,038	
Net cash provided by investing activities			**160,014**		(70,986)
Change in cash and cash equivalents in the year			**(73,996)**		(209,291)
Cash and cash equivalents at the beginning of the year			**249,762**		459,053
Cash and cash equivalents at the end of the year			**175,766**		249,762

1 Accounting policies

a) Statutory information

Willow Foundation is a charitable company limited by guarantee and is incorporated in the UK. The registered office address is Gate House, Fretherne Road, Welwyn Garden City AL8 6NS.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on the basis that Willow Foundation has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. The going concern basis is appropriate because:

Charity shop sales are strong and the charity expanded in 2024 opening one new shop. Fundraising income is budgeted to increase during 2025;

A significant proportion of expenditure is discretionary;

The unrestricted general reserve remains above target level;

The charity has a high level of valuable assets including its investment portfolio. There has been no draw down of funds to date during 2025;

The cash position is positive.

Management have undertaken detailed forecasting and sensitivity analysis to December 2025 and the trustees have considered uncertainties and liquidity risks. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1 Accounting policies (continued)

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.
For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so please refer to the trustees' annual report for more information about their contribution.
On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes without any more specific purpose being laid down by the donor.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities within the charitable company and its subsidiaries with a fundraising purpose. It includes allocated support costs.

Expenditure on charitable activities includes the costs of delivering and promoting services undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of governance and support, including staff costs within these functions, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity and is reviewed each year.

Charitable activity - provision for seriously ill young adults	58%
Cost of raising funds	42%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Land and buildings	50 years
Leasehold improvements	term of lease
Fixtures and fittings	4 years
Furniture, equipment and software	3 years

1 Accounting policies (continued)

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Stocks

Purchased stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are not included in the financial statements until they are sold or distributed.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held by our investment managers for re-investment, which are included in the value of investments.

q) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. With the exception of the listed investments described above, the charity only has financial liabilities of a kind that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their settlement value.

r) Basic financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s) Pensions

The charity's policy is to operate a group personal pension scheme compliant with auto-enrolment requirements and to contribute a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice as long as the employee matches the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2023 Total £
Income from:			
Donations and legacies	949,242	703,855	1,653,097
Fundraising events	822,280	-	822,280
Retail shop sales	837,331	-	837,331
Other trading activities	13,512	-	13,512
Investments	74,752	-	74,752
Total income	2,697,117	703,855	3,400,972
Expenditure on:			
Raising funds			
Donations and legacies	573,116	-	573,116
Fundraising events	705,273	-	705,273
Retail shops	710,746	-	710,746
Other trading & investments	19,471	-	19,471
Charitable activities			
Provision for seriously ill young adults	753,222	747,682	1,500,904
Total expenditure	2,761,828	747,682	3,509,510
Net income / (expenditure) before losses on investments	(64,711)	(43,827)	(108,538)
Net gains on investments	127,129	-	127,129
Net income / (expenditure) before other recognised gains and losses	62,418	(43,827)	18,591
Gains / (losses) on sale of fixed assets	-	-	-
Net movement in funds	62,418	(43,827)	18,591
Reconciliation of funds:			
Total funds brought forward	2,575,159	164,911	2,740,070
Total funds carried forward	2,637,577	121,084	2,758,661

In 2023, we amended the presentation on the SOFA to enable a full understanding of the income and expenditure attributable to our events, our retail shops and the remainder of our activities. We also redefined our charitable activities to be 'provision for seriously ill young adults'.

3 Income from donations and legacies

	Unrestricted £	Restricted £	**2024 Total £**	Unrestricted £	Restricted £	2023 Total £
Gifts	961,497	403,648	**1,365,145**	930,242	539,710	1,469,952
Government funding	-	-	**-**	-	-	-
Legacies	341,068	-	**341,068**	19,000	-	19,000
Donated services	-	180,199	**180,199**	-	164,145	164,145
	1,302,565	583,847	**1,886,412**	949,242	703,855	1,653,097

A total of £50,000 (2023: £195,000) of legacy pipeline which does not meet the legacy criteria is, however, treated by the charity as a contingent asset as at 31 December.

4 Income from other trading activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Fundraising events						
Trading income	996,956	-	**996,956**	802,189	-	802,189
Donations & gift aid generated by events	26,106	-	**26,106**	20,091	-	20,091
Retail shops						
Trading income	640,425	-	**640,425**	611,983	-	611,983
Donations & gift aid from Retail Gift Aid	291,685	-	**291,685**	225,348	-	225,348
Sale of merchandise	2,544	-	**2,544**	2,887	-	2,887
Raffles and other trading	15,594	-	**15,594**	10,625	-	10,625
	1,973,310	-	**1,973,310**	1,673,123	-	1,673,123

5 Income from investments

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Investment portfolio	60,676	-	**60,676**	71,847	-	71,847
Bank interest	3,154	-	**3,154**	2,905	-	2,905
	63,830	-	**63,830**	74,752	-	74,752

6a Analysis of expenditure (current year)

	Raising funds: Non-events & non-retail £	Raising funds: Events £	Raising funds: Retail £	Raising funds: Other trading & investments £	Charitable activities £	Governance costs £	Support costs £	**2024 Total £**	2023 Total £
Staff costs (Note 8)	409,161	213,660	487,719	-	853,746	9,803	29,678	**2,003,767**	1,683,263
Direct beneficiary expenditure	-	-	-	-	726,527	-	-	**726,527**	678,658
Costs of fundraising	128,806	-	-	-	-	-	-	**128,806**	97,051
Fundraising events	-	529,395	-	-	-	-	-	**529,395**	497,502
Merchandising and raffles	-	-	-	4,400	-	-	-	**4,400**	5,972
Running retail shops	-	-	312,538	-	-	-	-	**312,538**	297,820
Investment management	-	-	-	4,028	-	-	-	**4,028**	13,499
Audit and accountancy	-	-	-	-	-	15,120	-	**15,120**	14,430
Other governance costs	-	-	-	-	-	7,718	-	**7,718**	1,561
Communications	-	-	-	-	-	-	35,978	**35,978**	37,153
Premises, facilities & IT	-	-	-	-	28,425	-	160,042	**188,467**	161,652
General management & HR	-	-	-	-	-	-	14,282	**14,282**	15,187
Financial administration	-	-	-	-	-	-	4,865	**4,865**	5,762
	537,967	743,055	800,257	8,428	1,608,698	32,641	244,845	**3,975,891**	3,509,510
Support costs	66,108	36,727	-	-	142,010	-	(244,845)	**-**	-
Governance costs	8,813	4,896	-	-	18,932	(32,641)	-	**-**	-
Total expenditure 2024	**612,888**	**784,678**	**800,257**	**8,428**	**1,769,640**	**-**	**-**	**3,975,891**	3,509,510
Total expenditure 2023	573,116	705,273	710,746	19,471	1,500,904	-	-		3,509,510

6b Analysis of expenditure (prior year)

	Raising funds: Non-events & non-retail £	Raising funds: Events £	Raising funds: Retail £	Raising funds: Other trading & investments £	Charitable activities £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 8)	393,900	169,427	412,926	-	668,869	9,169	28,972	**1,683,263**
Direct beneficiary expenditure	-	-	-	-	678,658	-	-	**678,658**
Costs of fundraising	97,051	-	-	-	-	-	-	**97,051**
Fundraising events	-	497,502	-	-	-	-	-	**497,502**
Merchandising and raffles	-	-	-	5,972	-	-	-	**5,972**
Running retail shops	-	-	297,820	-	-	-	-	**297,820**
Investment management	-	-	-	13,499	-	-	-	**13,499**
Audit and accountancy	-	-	-	-	-	14,430	-	**14,430**
Other governance costs	-	-	-	-	-	1,561	-	**1,561**
Communications	-	-	-	-	-	-	37,153	**37,153**
Premises, facilities & IT	-	-	-	-	-	-	161,652	**161,652**
General management & HR	-	-	-	-	-	-	15,187	**15,187**
Financial administration	-	-	-	-	-	-	5,762	**5,762**
	490,951	666,929	710,746	19,471	1,347,527	25,160	248,726	**3,509,510**
Support costs	74,617	34,822	-	-	139,287	-	(248,726)	**-**
Governance costs	7,548	3,522	-	-	14,090	(25,160)	-	**-**
Total expenditure 2023	**573,116**	**705,273**	**710,746**	**19,471**	**1,500,904**	**-**	**-**	**3,509,510**

7 Net incoming resources for the year

This is stated after charging / crediting:

	2024 £	2023 £
Depreciation	**32,154**	2,241
Profit / (loss) on disposal of fixed assets	**-**	-
Operating lease rentals: Property	**221,422**	207,687
Operating lease rentals: Vehicles	**2,798**	3,076
Auditors' remuneration (excluding VAT):		
Audit	**12,600**	12,000
Other services	**1,300**	1,235

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

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	**1,679,198**	1,414,472
Social security costs	**157,509**	126,259
Employer's contribution to defined contribution pension schemes	**158,645**	135,057
Other forms of employee benefits	**8,415**	7,475
	2,003,767	1,683,263

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2024 No.	2023 No.
£60,000 - £69,999	**1**	-
£90,000 - £99,999	**-**	1
£100,000 - £109,999	**1**	-

The total employee benefits including NI and pension contributions of the key management personnel were £254,730 between 3 senior staff (2023: £238,080 between 3 senior staff).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses representing the payment or reimbursement of travel and subsistence costs are potentially payable but none were claimed in 2024 (2023: £nil).

9 Staff numbers

The average number of employees during the year was as follows:

	2024 No.	2023 No.
Full-time equivalent staff numbers		
Raising funds - voluntary income	**9.1**	8.6
Raising funds - fundraising events	**5.0**	4.0
Raising funds - retail shops	**16.1**	14.3
Charitable activity: Provision for seriously ill young adults	**19.2**	16.0
Support	**0.6**	0.7
Governance	**0.1**	0.1
	50.1	43.7

Headcount		
Full-time staff	**27**	20
Part-time staff	**33**	33
	60	53

10 Related party transactions

There are no donations from related parties outside the normal course of business and no restricted donations from related parties for this financial year.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

No UK corporation tax was payable in 2024 (2023: £nil).

12 Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Equipment, furniture & software £	**Total £**
Cost				
At the start of the year	206,022	47,903	195,184	**449,109**
Additions in year	21,918	6,769	8,188	**36,875**
Disposals in year	-	-	(13,275)	**(13,275)**
At the end of the year	227,940	54,672	190,097	**472,709**
Depreciation				
At the start of the year	173,430	34,167	157,954	**365,551**
Charge for the year	9,647	4,915	17,592	**32,154**
Eliminated on disposal	-	-	(13,275)	**(13,275)**
At the end of the year	183,077	39,082	162,271	**384,430**
Net book value				
At the end of the year	44,863	15,590	27,826	**88,279**
At the start of the year	32,592	13,736	37,230	83,558

All of the above assets are used for charitable purposes.

13 Listed investments

	2024 £	2023 £
Fair value at the start of the year	**2,315,087**	2,136,211
Additions at cost	**257,946**	640,705
Disposal proceeds	**(398,692)**	(588,958)
Net gain on change in fair value	**245,664**	127,129
Fair value at the end of the year	**2,420,005**	2,315,087
Cash held by investment broker pending reinvestment	**87,464**	79,777
Fair value at the end of the year including cash	**2,507,469**	2,394,864

Investments comprise:

	2024 £	2023 £
Equity shares listed in the UK	**453,952**	458,244
Equity shares listed in mainland Europe	**125,612**	123,506
Equity shares listed in the USA	**770,561**	664,538
Equity shares listed in Japan & Asia	**127,369**	100,826
Equity shares Global	**69,700**	51,900
UK bonds	**444,270**	433,103
Alternative Investments	**248,735**	294,503
Global bonds	**65,152**	81,020
Emerging markets	**114,654**	107,447
Cash	**87,464**	79,777
	2,507,469	2,394,864

14 Stock

	2024 £	2023 £
Finished goods	**3,743**	4,568
	3,743	4,568

15 Debtors

	2024 £	2023 £
Trade debtors	**137,412**	68,659
Other debtors	**5,082**	13,264
Prepayments	**277,947**	242,905
Accrued income	**139,327**	51,897
	559,768	376,725

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	**82,287**	124,262
Taxation and social security	**28,393**	25,310
Other creditors	**20,986**	45,897
Accruals	**118,423**	73,673
Deferred income	**132,950**	81,674
	383,039	350,816

17 Deferred income

Deferred income comprises proceeds from tickets sold for fundraising events due to take place the following year.

	2024 £	2023 £
Balance at the beginning of the year	**81,674**	60,503
Amount released to income in the year	**(81,674)**	(60,503)
Amount deferred in the year	**132,950**	81,674
Balance at the end of the year	**132,950**	81,674

18 Pension scheme

Willow Foundation operates a group personal pension scheme compliant with auto-enrolment requirements, provided by Royal London Mutual Insurance Society Ltd. The charity contributes a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice. The employee must at least match the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

The pension cost of these schemes during the year was £158,645 (2023: £135,057). At 31 December 2024 £18,352 in contributions was outstanding (2023: £14,797).

19a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	88,279	-	88,279
Investments	1,085,975	1,421,494	-	2,507,469
Net current assets	248,446	-	107,792	356,238
Net assets at 31 December 2024	**1,334,421**	**1,509,773**	**107,792**	**2,951,986**

19b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	83,558	-	83,558
Investments	1,067,891	1,326,973	-	2,394,864
Net current assets	159,155	-	121,084	280,239
Net assets at 31 December 2023	1,227,046	1,410,531	121,084	2,758,661

20a Movements in funds (current year)

	At 1 January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2024 £
Restricted funds:					
Specific beneficiaries	-	180,199	(180,199)	-	**-**
Special Days - specific illness	129	1,000	(1,000)	-	**129**
Special Days - specific areas	2,000	-	-	-	**2,000**
Special Days - specific age	-	1,000	(1,000)	-	**-**
Special Days -combination of specific illness and / or areas and / or age	-	107,500	(107,500)	-	**-**
Special Treats - specific areas	-	2,000	(600)	-	**1,400**
Special Treats - general	-	6,098	-	-	**6,098**
Charitable Service - specific illness	54,100	140,450	(134,550)	-	**60,000**
Charitable Service - rare diseases	22,895	-	(22,895)	-	**-**
Charitable Service - specific areas	41,235	143,300	(146,370)	-	**38,165**
Charitable service- wheelchair users	725	-	(725)	-	**-**
Charitable Service - combination of specific illness and / or areas and / or age	-	2,300	(2,300)	-	**-**
Total restricted funds	121,084	583,847	(597,139)	-	**107,792**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	83,558	-	-	4,721	**88,279**
Special Days Reserve	674,000	-	-	130,000	**804,000**
Investment Reserve	478,973	-	-	22,521	**501,494**
Retail Expansion Reserve	174,000	-	-	(58,000)	**116,000**
Total designated funds	1,410,531	-	-	99,242	**1,509,773**
General funds	1,227,046	3,585,369	(3,378,752)	(99,242)	**1,334,421**
Total unrestricted funds	2,637,577	3,585,369	(3,378,752)	-	**2,844,194**
Total funds	2,758,661	4,169,216	(3,975,891)	-	**2,951,986**

The narrative to explain the purpose of each fund is given at the foot of the note below.

20b Movements in funds (prior year)

	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
Restricted funds:					
Specific beneficiaries	-	164,145	(164,145)	-	**-**
Special Days - specific illness	779	-	(650)	-	**129**
Special Days - palliative	-	95,500	(95,500)	-	**-**
Special Days - specific areas	6,855	-	(4,855)	-	**2,000**
Special Treats - specific areas	-	2,000	(2,000)	-	**-**
Charitable Service - specific illness	-	100,300	(46,200)	-	**54,100**
Charitable Service - rare diseases	67,427	93,450	(137,982)	-	**22,895**
Charitable Service - palliative	50,000	-	(50,000)		**-**
Charitable Service - specific areas	39,850	161,460	(160,075)	-	**41,235**
Charitable service- specific age	-	80,000	(80,000)	-	**-**
Charitable service- wheelchair users	-	5,000	(4,275)	-	**725**
Charitable Service - combination of	-	2,000	(2,000)	-	**-**
Total restricted funds	164,911	703,855	(747,682)	-	**121,084**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	9,942	-	-	73,616	**83,558**
Special Days Reserve	570,000	-	-	104,000	**674,000**
Investment Reserve	443,605	-	-	35,368	**478,973**
Retail Expansion Reserve	290,000	-	-	(116,000)	**174,000**
Total designated funds	1,313,547	-	-	96,984	**1,410,531**
General funds	1,261,612	2,824,246	(2,761,828)	(96,984)	**1,227,046**
Total unrestricted funds	2,575,159	2,824,246	(2,761,828)	-	**2,637,577**
Total funds	2,740,070	3,528,101	(3,509,510)	-	**2,758,661**

Purposes of restricted funds

The 'Specific Beneficiaries' restricted fund relates to discounts and gifts in kind which are given for a specific beneficiary's Special Day or Special Treat or else grants made specifically for certain beneficiaries.

The next Special Days, Special Treats and Charitable Service restricted funds listed are all funds given for charitable activities of a particular kind. Some donors restricted the activity to certain types of Special Day only, to Special Days only and some to Special Treats only whereas some restricted it to any service provided to the beneficiaries. Within these categories, donors have chosen to restrict to benefit people from a particular geographical area, a particular age group or suffering a particular type of illness - or some combination of these factors.

Purposes of designated funds

The Fixed Assets Reserve represents the net book value of the leasehold improvements in the building occupied by the charity or its subsidiaries and the furniture, software and equipment owned by the group. Funds tied up in these assets are not available for spending on special days.

The Special Days Reserve represents the costs of fulfilling applications for Special Days and Treats where the applications have already been received and the service will be delivered in the next financial year. This is set at 6 months of our direct spend on charitable activities.

The Investment Reserve is an ongoing fund to protect the operations of the charity from downward fluctuations in investment markets. Net investment gains are added to this fund in subsequent years subject to a maximum of 20% of the value of the investment portfolio.

The Retail Expansion Reserve represents the cash required to expand the charity shop retail chain from the 5 shops at the end of 2022 up to 10 shops. Two shops were opened during 2023, one shop was opened during 2024 and the trustees intend that the other 2 shops will open over 2025.

Transfers have been made between the general fund and designated funds in order to achieve the required levels in the designated funds.

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

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	**193,325**	18,591
Depreciation charges	**32,154**	22,413
(Gains)/losses on investments	**(245,664)**	(127,129)
Dividends, interest and rent from investments	**(63,830)**	(74,752)
(Profit)/loss on the disposal of fixed assets	**-**	-
(Increase)/decrease in stocks	**825**	418
(Increase)/decrease in debtors	**(183,043)**	(69,816)
Increase/(decrease) in creditors	**32,223**	91,970
Net cash provided by / (used in) operating activities	**(234,010)**	(138,305)

22 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Vehicles		Property	
	2024	2023	**2024**	2023
	£	£	**£**	£
Less than one year	**2,099**	2,798	**183,358**	195,471
One to five years	**-**	2,099	**519,642**	447,091
Over five years	**-**	-	**20,609**	78,565
	2,099	4,897	**723,609**	721,127

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Charity information

Life Presidents
Bob Wilson OBE

Ambassadors
Natasha Kaplinsky OBE
Pat Jennings CBE
Mary Nightingale
Theo Walcott
Jim Rosenthal
Linda Lusardi
Sam Kane
Lee Dixon
Gary Mabbutt MBE
Simon McCoy
Ian Poulter
Gary Lewin
Ian Wright OBE
Martin Chivers
Ossie Ardiles
Katie Swan
Alfie Boe OBE
Leah Williamson OBE
Mica Paris MBE
Daniel Field – appointed June 2024
Alex Newman – appointed July 2024
Tom Rosenthal – appointed August 2024
Aaron Ramsdale – appointed September 2024
Petr Cech – appointed February 2025

Senior Management
Jonathan Aves – Chief Executive
Claire Kermode – Company Secretary, Director of Finance, Resources and Retail
Dominic Heath – Special Days Director

Honorary Presidents
David Seaman MBE
Frankie Seaman (formerly Poultney)

Trustees
Richard King – Chair
Nicholas Aldridge
Stewart Bennett – resigned 29 November 2024
Elena Ciallie
Rachel Jones – resigned 21 March 2025
James Newman – appointed 27 September 2024
Paul Phedon
Martin Ryan
Sangita Shah – appointed 7 June 2024
Vanessa Steel
Glyn Taylor
David Waddington CBE

Non-staff committee members
Governance and Nominations Committee
Glyn Taylor (Chair)
Nicholas Aldridge

Finance and Audit Committee
Elena Ciallie (Chair)
Richard King
Graham Nicholas
Sangita Shah
David Waddington

Principal address and registered office
3rd Floor, Gate House, Fretherne Road, Welwyn Garden City, Hertfordshire AL8 6NS
Telephone: 01707 259777
Website: willowfoundation.org.uk

Auditors: Sayer Vincent LLP, 110 Golden Lane, London EC1Y 0TG

Solicitors: Pellys Solicitors Ltd, 18 The Causeway, Bishops Stortford CM23 2EJ

Principal banker: NatWest Bank, 2nd floor Argyll House, 246 Regent Street, London W1P 3PB

Investment managers: Quilter Cheviot Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4AB.

willow

special days for seriously ill young adults

Willow, Gate House, Fretherne Road,
Welwyn Garden City, Hertfordshire AL8 6NS

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E: info@willowfoundation.org.uk **W:** willowfoundation.org.uk

Willow Foundation is a registered charity in England and Wales No. 1106746 and a registered charity in Scotland No. SC045811. It is also a company limited by guarantee No. 520707

WILLOW FOUNDATION

England & Wales - Charity number 1106746

Accounts

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special days for seriously ill young adults



Willow Foundation Annual Report 2023

Willow Foundation is a registered charity in England and Wales No. 1106746 and a registered charity in Scotland No. SC045811. It is a company limited by guarantee number 5207070, registered in England and Wales.

Trustee statement

The trustees present their report and the audited financial statements for the year ended 31 December 2023. Reference and administrative information set out on page 62 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

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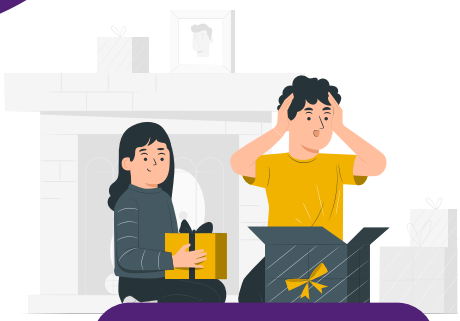
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Our year in numbers



We sent out **483** treat boxes filled with items chosen by the recipient

We celebrated the milestone of supporting **20,000** beneficiaries

1,183 people supported in 2023

Sent out **186** pamper boxes to give beneficiaries a little lift



We supported **15%** more people than the original plan



We identified **4** priority medical groups

700 Special Days (made up of **386** breaks, **293** days out and **21** days at home)

More than **50** people attended one Special Day – a 21st birthday party, and 30 people went to a private cinema screening.

Special Days increased to **59%** of our service (against 45% in 2022) and Special Treats **41%** (55% in 22)

56% of the young adults supported in 2023 had a rare condition

95% of our beneficiaries said their Special Day gave them something to look forward to

Supported **90** young adults with one of six less survivable cancers

79% of beneficiaries said they could not have afforded to go on their Special Day if they were funding it themselves

92% came away with memories that will last forever

667 children accompanied their parent on a Special Day



91% felt that they were given the opportunity to spend time with loved ones

About Willow

Willow works with seriously ill young adults aged 16 to 40 and their loved ones to arrange bespoke uplifting and unforgettable experiences when they need them most.

Each year thousands of young adults across the UK are diagnosed with a life-threatening illness. When they should be enjoying the prime of life, they're dealing with stress, isolation, invasive treatment and hospital appointments. We're dedicated to helping young adults take much needed time out from the reality of living with serious illness, creating magical moments that become lasting memories. From treat boxes to experiences at home for all the family, fun packed days out and quiet breaks away from it all; we offer the chance to spend quality time with family or fulfil a lifelong dream. In the toughest times, Willow creates life-affirming experiences that boost morale and bring loved ones together to create precious memories.

Willow was founded in 1999 by former Arsenal goalkeeper and TV presenter, Bob Wilson and his wife Megs, as a lasting memorial to their daughter Anna, who died of cancer aged 31. The inspiration for Willow came from Anna's determination to live every moment to the fullest, despite the most difficult circumstances.

Since 1999 our team has created more than 20,000 special experiences and we hope to deliver 1,200 more in 2024.



20,000
magical moments created

The loss of our Founder and Life President, Megs Wilson

The Willow team was heartbroken by the loss of our Founder and Life President, Megs Wilson, on 28 November 2023 following a long illness. Since she founded the charity in 1999, her vision, support and dedication to offering quality of life and quality of time to young adults facing serious illness has touched the lives of more than 20,000 beneficiaries, along with countless other individuals and families.

We were honoured to be invited by the Wilson family to arrange a memorial service to celebrate the wonderful woman who gave so much to others. Hundreds of people, including those from the world of football, friends, family, current and former Willow staff, volunteers and supporters came together at St Albans Cathedral to celebrate Megs' life. Willow ambassador Alfie Boe sang some of Megs' favourite songs.

In December, we launched the Megs Wilson Memorial Appeal, which gives people a space to remember Megs and share memories and tributes. The appeal has so far raised more than £25,000.

Megs was a passionate and inspirational leader, and we plan to continue her legacy by diversifying our services and looking at how we can help more people who need us. Megs will be sadly missed by everyone at Willow. She will forever shine as a beacon of hope and compassion, inspiring us to continue fulfilling her mission and ensuring that her memory lives on through the positive impact she has left on this world.



"Megs will be sadly missed by everyone at Willow. She will forever shine as a beacon of hope and compassion, inspiring us to continue fulfilling her mission."

Letter from our Chair of Trustees, Richard King

It would be impossible for me to reflect on 2023 without speaking about the passing of our wonderful founder, Megs Wilson. Megs created Willow back in 1999 from a bedroom in her house. She was so passionate about the cause that she would spend every spare minute attending events or visiting local businesses trying to drum up support. The charity has certainly grown and developed since then, but Megs' dedication to helping people remained unchanged. Her drive and ambition was unwavering and her aim was clear; she wanted to help young adults who were going through tough times by giving them a day, a weekend or a gift that took them away, albeit temporarily, from the day to day reality of treatment and hospital visits. As a Founder and Life President, Megs made sure that everything we worked towards supported that aim. She was an active part of Willow, attending events, meeting supporters and inspiring the Willow team. She touched so many lives and our staff, volunteers, supporters and beneficiaries were devastated to learn of her passing in November 2023.

To honour Megs' legacy, we must continue to deliver quality of life and quality of time to those young adults she was so passionate about supporting. Demand for Willow experiences continues to grow, and we are only scratching the surface of the people who need our services. To support this increased demand, we are arranging more Special Days year on year. We finished 2023 having delivered days out, breaks away or treat boxes to more than 1,100 young adults, and are looking to raise this to 1,200 in 2024. In order to do this, we have been looking at ways to increase our fundraising income and to develop new partnerships which can support our service development through the provision of fundraising or gifts in kind; products or services which directly help us to reduce the cost of a Special Day. I met with the Willow team in July 2023 for a day of idea generation and blue sky thinking. We came away with a whole host of new projects and events which will help us on this journey.

Earlier in the year, Bob and Megs asked Frankie and David Seaman to step up to become our Honorary Presidents. They jumped at the chance, having been proud ambassadors of Willow for many years. David and Frankie will continue to work alongside Bob and our team to deliver Megs' legacy into the future.

I was pleased to welcome Paul Phedon to the Willow Board of Trustees in February 2023. Paul really made his mark by taking part in our inaugural Willow Trek across Transylvania in October, along with his son. More recently, we welcomed Sangita Shah as a trustee. Sangita brings a wealth of knowledge and experience, gained through more than 25 years working for blue chip companies.

2023 was an exciting year of change and development and we have big things planned for 2024, including the introduction of several ambassador-led challenge events and our 25th anniversary Willow Ball. None of these would be possible without our fantastic team. Their willingness to share creative ideas and try new things is key to the evolution of Willow. I'd like to take this opportunity to thank everyone who has been part of Willow's success this year, from the staff and volunteers to partners, supporters and fundraisers.

Together we're making wonderful things happen for those who really need our support.



Richard King
Chair of Trustees
Willow Foundation

Welcome to our new Honorary Presidents, Frankie and David Seaman



In September 2023, we made the exciting announcement that David Seaman and his wife Frankie had been appointed as Honorary Presidents of Willow.

This strategic decision marked a significant milestone in the charity's mission to improve the quality of life of young adults aged 16 to 40 with life-threatening illnesses through the provision of bespoke days out, breaks or treats. At the heart of this exciting development lies the longstanding friendship and mentorship between David and our Co-founder and Life President Bob Wilson. The two have shared a close bond for many years, built on their passion for football, mutual respect and a shared commitment to making a difference to the lives of others.

When Bob and Megs launched Willow back in 1999 David was one of the charity's first Patrons and Frankie has worked alongside Megs helping to organise fundraising events for over a decade. David, fondly known as "Safe Hands" for his legendary goalkeeping skills during his football career, expressed his enthusiasm for taking on a more active role within Willow:

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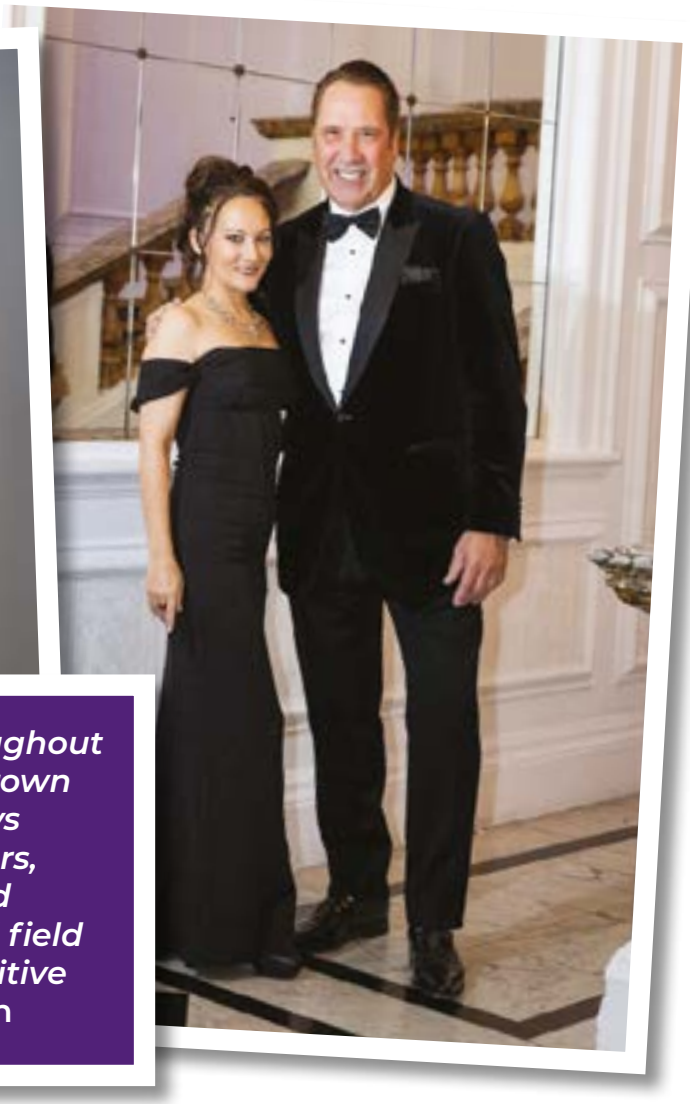
"Bob has been a mentor to me throughout my career, and our friendship has grown stronger over the years. I have always admired his philanthropic endeavours, and through his inspiration, I learned that the values I hold on the football field can also be applied to making a positive impact off the pitch.

"When Bob shared his vision for Willow, we knew it was something we wanted to be a part of. Frankie and I have been proud ambassadors of Willow for many years, and we have witnessed first-hand the incredible impact this charity has on the lives of young adults facing difficult circumstances. When the opportunity arose to step up and work alongside Bob and Megs, we knew it was a chance we couldn't pass up."

Bob also spoke warmly about David and Frankie's appointment: ***"Watching David grow both as a footballer and as a person has been incredibly rewarding. He has always been so supportive of Willow and is someone who genuinely cares. When thinking about the Willow of the future, David and Frankie seemed like the obvious choice: it felt like a natural progression. Their passion and dedication will undoubtedly propel the charity to new heights while providing the safe pair of hands David is famous for."***

As Honorary Presidents, David and Frankie are committed to working with the Willow team to bring hope, joy, and memorable experiences to the lives of those facing serious illness. Their vision will further strengthen the charity's ability to touch the lives of young adults and their families.





"Bob has been a mentor to me throughout my career, and our friendship has grown stronger over the years. I have always admired his philanthropic endeavours, and through his inspiration, I learned that the values I hold on the football field can also be applied to making a positive impact off the pitch." - David Seaman

Helping more young families to create precious memories together.

When someone receives a diagnosis, theirs is not the only life that is affected. The ripple effect is felt by family, friends and loved ones.

667
children accompanied their parent on a Special Day



Jacqueline

Jacqueline is 39 and lives in London with her two boys, Sebastian and Oliver. She underwent six rounds of chemotherapy following her diagnosis of an aggressive form of lymphoma. She asked for a Special Break with her boys at Center Parcs.

"We timed our Special Break just before my scan results were due, which was a good distraction. Our break meant that I could go away at one of the most stressful times of my life and turn that into something positive. I made memories with my boys when I didn't know what the future held. It gave my children a much-needed break and allowed them to see their mummy outside and enjoying life which they had not seen in a long time."

Joanne

Joanne was diagnosed with breast cancer when she was 40. Our team arranged a break at Haven in Caister-on-Sea for her and her family.

"This chance to try and forget about our life shaking ordeal is what we needed as a family. Positive, lovely, hopeful memories together. I am through it all and cancer free now after eight rounds of chemotherapy, a mastectomy and lymph node clearance and fifteen rounds of radiotherapy. It has changed me physically and mentally. I don't know who I am anymore and forgotten who I was. However, the little trip away brought that back and I did feel almost "normal again" and it was a lovely feeling. Everyone enjoyed it and we have some wonderful memories we can treasure. After a very dark couple of years we truly appreciate it."





Nia

Willow organised a Special Break for 36-year-old Nia from Cardiff after she was diagnosed with gestational trophoblastic disease.

"My diagnosis and the treatment that followed impacted my ability to live in the moment or plan for my future. I was unable to engage with the activities I usually rely on to support my emotional and physical health and I often felt helpless and reliant on others, when I'm typically fiercely independent. My Special Break at Hiveaway Glamping gave me an opportunity to reconnect with my husband Alexander, share some (much-needed) positive experiences and make memories together. My diagnosis not only affected me but it took its toll on him too. We'd had the worst year of our lives and this experience offered us a chance to start rebuilding ourselves again. It gave us an opportunity to reconnect with nature and appreciate the beauty in the local area. It reminded us just how important it is to take the time together to explore the world around us."

Mission, vision, values

Our belief

We believe in quality of life and quality of time

Our vision

Young adults with life threatening illnesses and those close to them are able to take full advantage of what life has to offer

Our mission

To improve the quality of life of young adults aged 16 to 40 with life-threatening illnesses through the provision of our services

Our aim

To offer a special day to every seriously ill young adult in the UK

Our values



We are caring



We cherish people and time



We are all about special relationships



We have the courage to imagine otherwise

Our year - in 2023 we:



Growth

- Increased income by 19% in 2023 compared to 2022, growing our main charity donations by 23%, events by 14% and retail income by 17%
- Held a Blue Sky strategy day to facilitate a step change to grow the charity in 2024 and beyond
- Developed a forward-looking plan for 2023-2025
- Developed a strategy to grow our events
- Opened new shops in Hertford and Biggleswade
- Appointed our new Honorary Presidents, David and Frankie Seaman
- Recruited a new trustee with senior level PR, communications and marketing experience



Financial sustainability

- Achieved a total income of £3.4 million, which exceeded the budget by 8%
- Continued to build our donor pipeline
- Secured a fourth year of being involved in the ICAP Charity Day and associated funding, which continues to make a huge impact
- Secured further funding from the Alexion Charitable Foundation to deliver more special days for people with rare conditions
- Continued to work with our Development Board, which supports Willow through sponsorship and introductions



Service delivery and impact:

- Supported 1,183 beneficiaries
- Prioritised need and made sure we were supporting the most medically urgent beneficiaries
- Increased the ratio of special days compared to treat boxes
- Developed new medical referrer relationships
- Established ways to build lasting relationships with beneficiaries and their loved ones, meaning support doesn't end when their special day is over
- Worked with our Service Steering Group to agree our service provision focus
- Established new supplier and gifts in kind partnerships

Who we supported in 2023

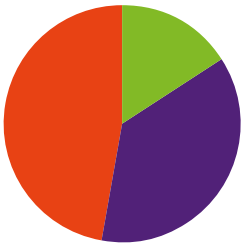
Gender

68% Identify as female

31% Identify as male

1% Identify as non-binary

Age



- 16-20 **16%**
- 21-30 **37%**
- 31- 40 **47%**

Location

East	**12%**
East Midlands	**6%**
London	**6%**
North East	**5%**
North West	**12%**
Northern Ireland	**5%**
Scotland	**7%**
South East	**11%**
South West	**11%**
Wales	**6%**
West Midlands	**11%**
Yorks & Humber	**8%**



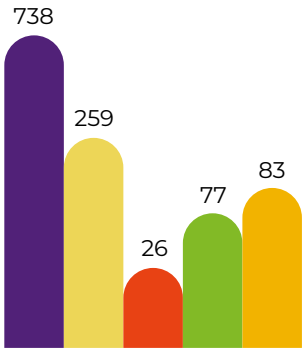
67% of our beneficiaries were living with an incurable diagnosis.

33% of our beneficiaries were treated with curative intent.

Willow aims to focus its support on young adults most in need and over the past year this has included reaching out to more young adults living with rare cancers.

These patient groups often lack the support networks available to those diagnosed with more common cancers. In 2023, we supported 255 beneficiaries living with rare cancers – double the number from 2022.

Condition



- Cancer
- Neurodegenerative
- Organ Failure
- Respiratory
- Other

How we work with medical professionals

Beneficiaries are referred to Willow by medical professionals involved in their care and treatment.

In 2023 our medical advisors engaged with key organisations including the Huntington's Disease Association, Together for Short Lives, RareMinds, Retts UK and Beacon for Rare Diseases.

Successful outreach work with Angelman UK and the MPS Society resulted in the referral of 144 beneficiaries from these two organisations, mostly young adults living with neurodegenerative conditions.

Support by condition type

Gastrointestinal cancer	63
Gynaecological cancer	64
Haematological cancer	189
Head and neck cancer	14
Neurological cancer	60
Sarcoma	52
Urological cancer	21
Other cancers	275
Haematological conditions	2
Neurodegenerative conditions	259
Organ failure	26
Respiratory conditions	77
Other conditions	81

In 2023, we created...



Handpicked and tailored to the needs of our beneficiaries, often filled with luxurious pamper items and sensory toys.



Long weekend and mid-week breaks, these can include family stays at wildlife lodges or staycations across the country.



Day trips and overnight stays across the UK, planned around a key activity including a theme park or city trip.



Memory making activities delivered in the comfort of a beneficiary's home. Tea parties or a family photoshoot are popular options.

Helping more people

In 2023, our aim was to support 1,033 beneficiaries. We had budgeted for this to include 633 Special Days and 400 treat boxes.

As we were more successful with our fundraising, we were able to uplift our original plan by 15%. This meant we were able to support 1,183 beneficiaries in 2023 across 700 Special Days and 483 treat boxes.

We created bespoke experiences for 1,183 people and their loves ones

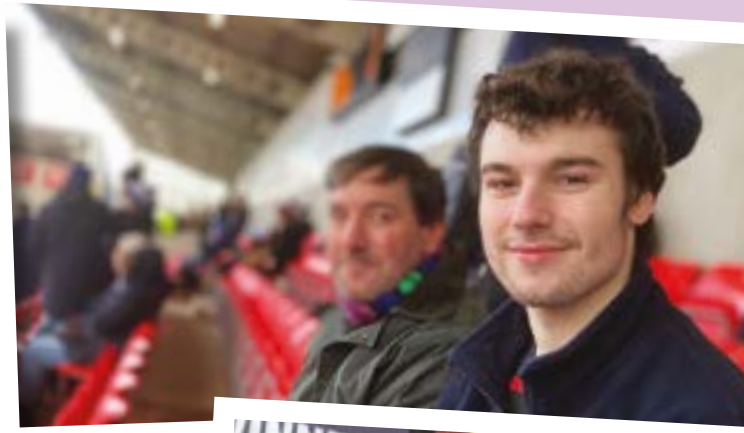
Special Days leading the way

Within our overall growth in services, we had the aim to increase the ratio of special days provided compared to our treat boxes, which made up the majority of our support during the pandemic.

We successfully grew the ratio of special days provided by 14% in 2023 and they now represent 59% of our service provision.

Special days will always be the cornerstone of Willow, with a legacy that stretches back to the creation of the charity 25 years ago.









Priority medical groups

Supporting people with life-threatening conditions has always been a key part of Willow's mission. An important focus for us this year has been prioritising growth in support for groups who really need our services.

These include:

- Those with an incurable condition, who sadly only have a short period of time to create lasting memories with loved ones.
- People with a life-limiting condition (i.e. degenerative, genetic or metabolic) which has a significant impact on quality of life and leads to very complex day-to-day needs.
- Those with rare conditions, whose days are often lonely and isolated due to there being very little support available elsewhere. This includes all rare life-threatening illnesses, including the rarest forms of cancer.
- People with life-threatening conditions other than cancer – There are many charities specifically aimed at supporting those with cancer due to the high incidence rate. Willow supports all types of life-threatening illness, so we have focused on other conditions where there is very little charity support available. For these groups, sometimes Willow is the only charity they are eligible to apply to.

"One of my patients recently went on a weekend break with her young son and husband, organised with thanks to you. She sent me the most beautiful picture of them at the West End show. She sadly passed away three weeks later, but thanks to Willow she was able to make that special memory with her son, one he will never ever forget."

"Every patient I have referred has had a wonderful time and I find it a real privilege to be able to refer patients to you. When patients are going through such a dreadful time, it is a little bit of light. Thank you so much for all you do."

To support our focus on the above medical groups we promoted our services throughout the year across the UK. We did this by:

- Meeting with organisations working in the rare disease community. This includes Together for Short Lives, RareMinds, Retts Society, Rare Beacon, MPS Society and many others.
- Having an article about our work published by Rare Youth Revolution.
- Working with the Huntington's Disease Association to reach more people with the condition across the UK.
- Making some key contacts in the NHS who represent the majority of rare disease professionals in the UK.
- Promoting our services at the Hospice UK national conference in November 2023 where we were able to reach more referrers specialising in palliative care and rare conditions.
- Sending out a survey to our medical professionals to get their input on supporting those with rare conditions. We had some valuable follow up meetings from this which have supported improvements to both Special Days and treat boxes and the way they cater for people with complex needs.

"Willow is an excellent charity that offers patients the opportunity to take away the focus of diagnosis and often extensive treatment regimes. It is an opportunity to make memories with loved ones and spend quality time doing something that they will enjoy. A really valuable service and highly recommended."

The financial impact of a life-threatening illness

Being diagnosed with a serious illness can have a huge effect on finances, emotions and mental health. Along with the impact a diagnosis can have on your ability to carry out a regular job, people with an acute condition are also faced with the costs of traveling to and from medical appointments, spiralling energy bills and the increased financial burden of being ill. A report published by Macmillan in 2020 stated that a cancer diagnosis will cost the individual an average of £891 per month through lost income and increased expenditure at a time when money worries should be the last thing on people's minds. This is likely to be even higher now due to the recent cost of living and energy crises.

79%

of our beneficiaries surveyed in 2023 said their Special Day was an experience they could not otherwise afford

Being able to enjoy memorable experiences with loved ones can be financially out of reach at a time when people need them most.

This is why Willow's work is life changing.

"It was nice to be able to stay in a hotel we wouldn't have been able to afford and have dinner and breakfast without worrying about how expensive food was and whether we should be eating out."

"Since my diagnosis we have had to make drastic cutbacks. We can only buy what we really need now so there is no money available for treats or extras."

"Like millions around the UK, we have been affected by rising bills. One of the biggest issues for us is the high price of fuel, as our hospital visits entail a 100-mile round trip each time. My pain levels also rise steeply when it is cold, and we worry about the cost of heating our house over winter."

In an anonymous survey, more than 50% of our beneficiaries said that they needed to claim additional financial support or benefits





Our focus on young adults with rare diseases

56%
of the people we supported in 2023 had a rare condition

In 2023, we grew our ratio of beneficiaries with rare conditions by 25% compared to 2022. Overall, when looking at both special days and treat boxes combined, 56% of the people we supported in 2023 had rare conditions.

This is something we could not have done without continued support from Alexion Charitable Foundation. Alexion is a global biopharmaceutical company that develops medication and therapies for patients living with rare diseases. Their funding has enabled us to reach more patients with rare conditions and innovate our approach to how we support them. It has also allowed us to train our staff in aspects of work related to rare diseases to increase their knowledge of such conditions and understand the logistics and potential barriers of arranging support. The team can now source profiling beds, ensure safe transport of oxygen, or organise overnight stays at hospices when this is the only option for a young adult to travel away from home.

We took on board the feedback of medical professionals and updated products available in our treat boxes. Our boxes now offer more sensory items and products better suited to those with complex medical needs. We also switched from a set list of themed boxes to a more bespoke 'mix and match' approach so each box can be fully customised to the individual.

Working with young adults with disabilities

Since 2022, we have reached out to more young adults living with degenerative conditions. This has resulted in working with many more young people with complex needs who are reliant on mobility aids or wheelchairs to get around. Approximately 25% of the young adults we supported last year are living with a physical disability, either as a result of life-long conditions such as muscular dystrophy or Friedreichs ataxia, or when diagnosed later in life with Huntington's disease or motor neurone disease for example. The Willow team accommodates their specific needs and takes away barriers. We encourage the beneficiary to think big and enable these young adults to engage in activities that they never thought possible. Our experiences offer a vital source of positivity while the memories are everlasting.



Bronwen

"My Special Day made me realise that there are new experiences out there for me to enjoy, and that having a disability isn't a barrier to me having that."
Bronwen is 22 and has Marinesco-Sjogren syndrome. We arranged for her to spend the day with her own private SitSki instructor at the Snowdome in Tamworth.



Charlie

"Charlie's illness has severely impacted his life in the past year he's been unable to make it to Liverpool FC games due to his illness. But thanks to you we managed to get seats with wheelchair access"
Charlie was diagnosed with metastatic testicular cancer aged 27. We arranged a trip to Anfield for him and his family to watch his favourite team.

Dylan

"Dylan was born with a genetic disorder called DiGeorge syndrome. His diagnosis feels like living in a parallel universe, fraught with obstacles and pitfalls at every turn. It is all consuming, and totally exhausting mentally and physically. We had a fabulous Special Break away at MCM Comic Con. Dylan absolutely had the best time, he was so brave going up for photos with literally everyone he saw in costume. I was crying my eyes out. We had such a wonderful day as a family, stepping into the world of fantasy, leaving reality behind just for a little while. Happy memories were made that we wouldn't have been able to create by our own means." **- Jenny - Dylan's mum**



25%

of the young adults we supported last year are living with a physical disability



Lili

"When Lili was diagnosed with Fucosidosis at the age of three, we were told we would lose her by mid-late teens, so it is a miracle to still have her at 23! It was such a lovely surprise when we received Lili's treat box from Willow. We were so happy to see all the thoughtful gifts that had been chosen for her. She was gifted with a sensory light toy, a diffuser, and her favourite, the sensory bubble motion toy, which she loves holding. She is non-verbal but conveys her happiness by smiling and laughing. Thank you all so much." **- Sarah - Lili's mum**

Special moments with Hospice UK

Our treat box service is particularly beneficial for patients who are too unwell or whose needs are too complex to participate in an activity or day out. A significant proportion of our treat service is aimed at young adults who are supported by their local hospice. Together with Hospice UK, we developed two treat options. We offer a Special Moments box for young adults aged 16 to 25 who are transitioning from the comfort and familiarity of a children's hospice to an adult setting. The second option is the Special Memories box which is offered to young adults in the final days or weeks of life, giving them and their loved ones a final opportunity to create a memory or a keepsake together. The boxes are tailored to the needs, ages and personal situation of the beneficiary.

"I am very excited about this as it is not often we have such positive things in our patient interaction. Also, generally support tends to be directed towards children rather than adults and young people. All too often they are left behind. MPS and Fabry disease are cruel, life-changing and life-limiting. Willow does a lot to support these families - a treat or special day is just the ticket!" Sally, Advocacy and Support Officer at the MPS Society

Since launching in 2022, we've worked with more than 80 hospices to provide 1,000+ treat boxes for their patients.



Our impact

Each special experience is totally unique. Once we have accepted a referral, we work with the beneficiary or their family members and carers to arrange an experience that is perfect for them.

This results in some truly unique Special Days. This year, we have arranged a birds of prey experience on horseback, a chance to walk with wolves and a skydive from 15,000 feet.

While some choose an experience that they may not be able to arrange themselves, others focus on spending precious time with loved ones, requesting a break to the seaside or afternoon tea at home.



Nicole

"We had the best time on our Special Break. So many laughs were had and we made some beautiful memories. It was lovely for us all to be away together and enjoy quality fun times, away from the day to day of life. We enjoyed the Jurassic coast. Lyme Regis , Lulworth Cove, Durdle door, Weymouth Bay, and even went to Monkey World. It was just the best trip ever. It's such an amazing thing that you do at Willow, words can't even express just how thankful I am, such a privilege to have been gifted this Special Break."

Matthew

"Our break was truly amazing. It felt like we had a chance to be ourselves away from the world for the first time in a very long time. To be able to walk with wolves in the gorgeous Cumbrian countryside, a place very close to our hearts, it was a dream come true. I never thought I would get to experience wolves howling in real life, such a magical once-in-a-lifetime day out. Willow brought us joy when I have felt so low and scared for a while now. Honestly, it was the best weekend."



New partnerships

We are continually looking at ways to make our funds go further and to improve the quality of our support by working in partnership with other organisations to deliver our vital work.

Beauty Banks has generously supported us with products for pamper boxes. Since this partnership started in early 2023, we have sent out 186 of these to beneficiaries. We will continue to develop this relationship in 2024 and grow the number of boxes sent.

We have been working with a new supplier, Sensory Direct, which has meant that we were able to source more sensory items which are better suited to those with complex needs.



Together with Willow

Being part of the Willow family doesn't stop when a Special Day ends. In August 2023, we organised our first Together with Willow event which brought beneficiaries from the South East together for a day of fun, socialising and music. More than 300 beneficiaries and their families were invited to a garden party in Essex, giving them another opportunity to create memories together. Musician and Willow beneficiary Eirra played a set, along with some other fantastic acts and DJs. A lovely day was had by attendees, staff and volunteers and we hope to host similar events across the UK in 2024 and beyond.





Funding our Service

Willow operates a broad fundraising model for raising charity income. Our fundraising platform can be split into three key areas:

1. Donations

- This comprises income raised through donations from areas such as trusts and foundations, community groups, individual giving, corporates and through challenge activities
- In 2023 these activities raised 49% of our total income. All together these initiatives provided a Return on Investment (ROI) after all overhead cost allocation of 2.88

2. Fundraising events

- Events are a key fundraising activity for the charity. The costs of the events are funded by income from the activity itself, not funded by donations received elsewhere in the charity
- In 2023 our major fundraising events contributed 24% towards our total gross income with an ROI after all overhead cost allocation of 1.17
- Large fundraising events have for many years provided a significant and important proportion of income. Events also bring the added benefit that a person who has engaged with our charity as a guest at our signature events could become a regular giver or introduce other fundraising to our charity. However, due to how events income is generated, the ROI is not as high as more traditional ways of raising income

3. Our shops

- Our shops offer a sustainable, regular income to our charity. This is a commercial activity and therefore with associated costs – these costs are covered by income from the trading itself, not covered by donations received elsewhere in the charity
- Our retail operation (7 shops) contributed 25% of our total gross income in 2023 with an ROI after all overhead cost allocation of 1.18
- Retail trading provides financial resilience since the income is sustainable and long-term. It also raises awareness of our message, service and other fundraising initiatives in the local area. However, due to the high level of trading costs such as rent, rates and staff costs, the ROI is again lower than other ways of raising income

Major events, together with our retail operation, reduce our overall charitable spend ratio but offer a significant net contribution to the charity that in 2023 has allowed us to fund 17% of our services. We believe it is in the best interests of Willow to continue with these activities so that we can give support to more beneficiaries

Our Board of Trustees and Leadership Team approve and review Willow's fundraising strategy. They are committed to continuing Willow's diversified fundraising approach and have agreed on Willow's key focus which is to achieve a more sustainable and balanced, fundraising model. Broadly this will involve:

- A focus on sustainable activities within our general fundraising activity, including developing legacy initiatives, attracting and growing our regular giving, as well as aiming to achieve multi-year funding with (prospective) trust and corporate relationships. These initiatives would allow us to commit to the growth of our service
- A commitment to achieve event income at pre-Covid levels. Due to rising costs in hospitality sectors, this is taking longer to realise. To aid this goal we are introducing new events that benefit from a more cost efficient set up
- The continued expansion of the retail operation will offer an increase in contribution towards services

Note – During 2023, Willow received £19,000 of legacy income; no statutory funding was received at all; the remaining 2% of Willow's gross income not mentioned above is from investments and small-scale trading activities.









Our fundraising

In 2023, our supporter fundraising efforts achieved remarkable success, contributing significantly to Willow's mission. Notable highlights included our inaugural overseas trek in Transylvania, which captured the spirit of adventure and camaraderie, raising an impressive £27,000.

"We set out as 11 strangers, and what unfolded exceeded my expectations. The trip became a profoundly positive life experience. Navigating diverse terrains provided a genuine challenge that I relished, sparking a newfound love for trekking that ensures I'll be doing it again. The camaraderie among our diverse group was the secret sauce that made the experience truly special. Beyond the personal fulfilment, the trek served as a means to raise funds for Willow. And this is just the beginning— I'll undoubtedly be putting myself forward for more challenges in the future." – Paul, Willow trustee and Transylvania trekker

Our annual 10k run continued to be a resounding success, with more than 500 participants rallying together to raise over £30,000. We also saw a notable increase in legacy pledges during the year, including the generous donation of a property, signifying a growing commitment to our cause. We anticipate receiving the proceeds from the property sale in 2024, which will further strengthen our ability to continue making a meaningful impact in the lives of those we serve.

We were thrilled to continue being supported by LeeStock and Folk by the Oak festivals, whose fundraising efforts this year took us past the £200,000 and £100,000 mark respectively, showing their unwavering dedication over the past 15 years.

Our community of fundraisers continue to inspire us with their incredible efforts, from fundraising dinners to balls and community groups, fundraising and giving generously, collectively raising more than £80,000 last year.

Continued on the next page >>>

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We continued to develop relationships with trusts and foundations which have supported our work for some years, and we are pleased to have forged new connections with a number of trusts which have newly funded Willow's work.

We are thankful to the Pink Ribbon Foundation and their commitment to supporting our beneficiaries living with metastatic breast cancer, and the Arsenal Foundation which supports us not only with funding, but through hosting unique Special Days at the Emirates Stadium.

Willow can offer funding opportunities to match the preferred giving criteria for individual trusts, some of the projects we have received restricted funding for during the year include beneficiaries who are living with a physical disability due to their diagnosis with a serious illness, and those who have been diagnosed with one of the less survivable cancers. While such restricted grants are crucial to our work, we also welcome donations of unrestricted grants, allowing us the freedom to use them in areas where they are most needed.

We have continued to build relationships with our corporate partners in 2023. Each partnership is unique in how they work with us, but they all agree on one thing - their belief in the power of special experiences. Companies support us in a variety of ways including fundraising and challenges, cause-related marketing, sponsorship or gifting products and services to help raise funds or deliver Special Days.

In the summer we were delighted to feature in Paypal Giving Fund's "give at checkout" campaign. It was a huge success and raised a substantial amount from a new audience. ***"We were proud to support Willow Foundation and their amazing work and thank Willow for all that you have done in supporting this impactful collaboration. We look forward to continuing our work together in 2024"*** Frank Barreca Operations Lead at Paypal Giving Fund.

We were extremely thankful to receive a generous grant from the Hilton UK Foundation which funded a project supporting 125 seriously ill young adults aged 16 to 30 from across the UK, enabling them and their families to create precious memories.

We hugely appreciate the extensive support from our long-term partners De Vere. They weave Willow through much of their company activity by raising funds, gifting hotel stays to support our beneficiaries and donating auction lots to assist with fundraising at our events.





Willow events

We kicked off the year with the London Football Awards, celebrating the best of London football. It was another star-studded event, with Arsenal winning four of the main trophies which gained lots of traction on social media and in the press. Following this, we held our core events which were all a success including the Willow Shoot, Willow Golf Classic and Frogmore Golf Day.

This year, we introduced a new event, Women of Willow, to celebrate our wonderful Co-founder, Megs, who hosted the event and was interviewed by Willow ambassador Mary Nightingale. We had talks from beneficiary turned fundraiser, Jackie Scully, who spoke about the powerful impact of her Special Day and the way it helped her live life to the fullest, and another of our ambassadors, Natasha Kaplinsky, who shared stories from her life and career.

In October, we held our first ever comedy night at the Comedy Store in London with the support of actor and comedian, Tom Rosenthal. We were lucky to secure Dara Ó Briain as our headliner, along with support from Lloyd Griffiths, Iain Stirling and Ceyla AB.
To finish the year, we had our biggest event of 2023, the Willow Ball, which was hosted by Matt Lucas and attended by many of our key supporters. The auction was a particular highlight, with the total raised on the night exceeding £200,000.











Willow on the high street

Our shops are a vital sustainable revenue stream to fund our services, and an important channel for us to raise awareness of our work.

In 2023, we traded from seven Willow shops. This included trading from fantastic new locations in Biggleswade and Hertford in line with our retail strategy of opening two new shops a year.

Despite the challenging conditions throughout the year, and thanks to the hard work and incredible commitment of our shop teams and generous donations from our supporters, we achieved a remarkable profit to invest in the provision of special days and treats, which was well ahead of our expectations.

The resilience of our retail model is attributable to a combination of factors:

Shopping Experience: A contemporary and boutique look shop fit, our unique style allows us to stand out from other charity shops on the high street and our friendly atmosphere encourages customers to return.

Choice: We offer huge choice with constantly changing ranges that encourage frequent visits to discover new items, and our customers love the thrill of discovering the unexpected.

Sustainability: We offer genuine sustainability, not just in extending the life of products we sell but in our shop fits repurposing wood to create our eye catching displays, the social benefits of the jobs and volunteering opportunities we create, the high streets we support, and the funds raised for our life enhancing services.

We believe the combination of an extraordinary shopping experience, choice and sustainability our shops provide makes us increasingly relevant and resilient. In line with the sector, we continue to successfully address the challenges of staff and volunteer recruitment and retention, and despite this being extremely difficult, achieve better than sector positions. We also plan to open two further shops in 2024.





Our people

Growing the Willow team

The Willow team grew in 2023 with investment in new roles, including staff in our two new Willow shops. We ended the year with 35 FTE charity employees and 15 FTE retail employees. Recruitment was a key activity during the year against a backdrop of a tough recruitment market. We attracted new talent to Willow, bringing skills and expertise to strengthen the team. We continue to operate a hybrid working model and to offer even greater flexibility, helping us to attract and retain the right candidates.

We look forward to implementing our people plan in 2024 and beyond, with the Willow team having already commenced Disability Confident Employer and Herts Healthy Workplace accreditation toward the end of 2023.

We thank all of our staff for their hard work and dedication in making 2023 a successful year.

Staff Remuneration Policy

The decision regarding pay increases is primarily informed by benchmarking our salaries through participation in the Cendex Voluntary Sector Salary Survey and specifically for retail, in the participation and reporting of the Charity Retail Association. Our priority is to ensure that salaries are paid at market level rates, and we will first address any salary anomalies where this is not the case. Consideration will then be given to individual performance and position within an employee's pay band. Pay increases for any individual above 10% requires further review and consideration by the Governance Committee. The pay of the Chief Executive and Leadership Team is reviewed and approved by the Governance Committee. The same terms and conditions and pension provisions apply to all staff.

Remuneration

The Board of Trustees oversees the pay, pension and benefits for the Chief Executive and Leadership Team through the Governance Committee. During the year, we continued to participate in the Cendex Voluntary Sector Salary Survey and specifically for retail the Charity Retail Association Workforce Survey to inform any pay awards for our staff. We were keenly aware of the pressures of the cost-of-living crisis and our salary review process reflected this as we implemented an across the board pay award in April 2023.

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Volunteers

We are delighted to report that our volunteer hours grew again in 2023, in part due to adding two new stores to our retail network, but also because of targeted recruitment for volunteer support for our office-based service delivery team. We now have volunteers working with us remotely and in person, assisting us to deliver special days, treats and breaks for our beneficiaries. In 2023, we were gifted an amazing 23,207 hours by our volunteers across all areas of the charity. Using the current National Minimum Wage rate, this equates to a value of £241,800, or hours to the equivalent of 12 full-time employees.

In 2024, we also look forward to achieving our Volunteer Six Point Promise accreditation, demonstrating our commitment to volunteer good practice.

"I really enjoy going to the office every Thursday; the people are very friendly – they keep me well supplied with mugs of tea and there is often cake! You immediately see and feel that Willow is providing something for 'real people' for whom a Special Day really is very special. And if any greater motivation is required, hearing beneficiaries speak about the impact that Willow has had on them and their family certainly provides it. I'm very happy and proud to count myself amongst the Willow family." – **Willow volunteer Derek**

Our amazing volunteers gave 23,207 hours of their time to support our cause in 2023





Our plans for 2024

2023 was a great year for Willow and we have ambitious plans to further develop our services over the coming years. We are hoping to increase the number of people we support to more than 1,200 next year. And we don't plan to stop there. With our current pace of growth, we should be consistently supporting more than 1,500 beneficiaries each year by the end of 2026.

In 2024, we will be celebrating 25 years of Willow. During those 25 years, we have overcome many challenges, from the financial crisis in 2008 right through to the tough climate during and after the Covid pandemic. This has given us confidence in our ability to navigate difficult situations, think on our feet and adapt our service and fundraising to the prevailing conditions.

Some of our key areas of focus for 2024 are to increase the number of beneficiaries we support who have an incurable diagnosis and continue to help more people living with a rare condition. Our medical advisors are working hard to promote our services within the rare disease community and are working alongside medical organisations to develop our support.

We are planning to visit key medical teams working with rare disease patients across the UK and to attend more events and conferences to build new relationships in this space. These are very much two-way relationships, and we regularly ask for feedback from medical professionals in order to better service the community.

We will also be looking to further develop our partnerships and to increase the quantity of gifts-in-kind we receive, while maintaining the high level of quality we currently deliver. These gifts are a key part of our plan to help more people as they help us to reduce the cost of an experience or treat boxes, which in turn means we can arrange more special days.

Growth

- Raise more than £3.5m income
- Continue our retail growth by opening two new shops
- Introduce two new ambassador-led events to attract new supporters
- Raise the profile of Willow nationally

Financial sustainability

- Develop and prioritise sustainable giving methods, including regular giving and legacy
- Recruit two new trustees, one with fundraising expertise
- Invest in developing our supporter database to streamline and improve engagement methods

Impact

- Support 1,200 seriously ill young adults in 2024
- Encourage long-term engagement with beneficiaries and their loved ones
- Further develop our treat box service in response to feedback from beneficiaries and medical professionals

Income and Expenditure

Income

2023 net deficit after spending on charitable services and fundraising was a loss of £109,000.

Total income raised in 2023 was £3,401,000, an increase of £545,000 (19%) over 2022 due to continued recovery from the financial impact of Covid as well as expansion of our retail operation.

Income from fundraising events increased against the prior year by £102,000 (14%) due to all final restrictions on holding events being lifted. Our 2023 London Football Awards was back to usual size compared to the restricted size event in 2022 with several extra small events during 2023 compared to 2022.

Retail shop sales increased by £124,000 (17%), as we opened two new shops in Biggleswade and Hertford early in the year.

As more traditional income streams have recovered, our short term funding support from the government has reduced. In 2023 we received no government funding at all compared to £62,000 in 2022.

Expenditure

Expenditure on raising all funds increased against 2022 by £382,000 (23%). There was, as planned, increased activity and spend in all income generating areas which led to income growth in all areas as outlined above. This included:

- £25,000 (5%) extra spend on raising donations due to increased staffing in this area
- £188,000 (36%) extra spend on fundraising events due to additional events in the year and the larger London Football Awards
- £169,000 (31%) extra spend on running retail shops as two new shops were opened as well as investment in the area management team to enable the further expansion planned for 2024 and 2025

Expenditure on our charitable services increased by £401,000 (36%) as we pushed to expand our service back to pre-Covid levels with growth in the number of Special Days given of 34% whilst continuing our lower-cost Treat service but at a reduced quantity as well as our new Together with Willow event for the benefit of past beneficiaries.

Reserves policy

All charities are required to consider how much they need to hold in reserves. The extent depends upon the scale and nature of the charity's activities.

At Willow we hold reserves to ensure that in the event of a downturn in income or substantial fluctuations in cash flow, the charity can continue to meet its commitments to Special Days and to operate for at least six months. Willow's general fund is currently £1,227,000 which equates to seven months of all costs (excluding the direct spend on charitable activities already covered within the special days reserve). This general fund is therefore in line with the reserves policy.

Willow holds restricted and unrestricted reserve funds. Unrestricted funds are composed of designated funds held for specific purposes and general funds that can be used for any activity in pursuit of the charitable objectives of Willow.

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Restricted funds are outstanding balances on funds that have been donated for a specific purpose.

At 31 December 2023 Willow held the following levels of reserves:

	Dec-23	Dec-22
Unrestricted funds:		
General funds	1,227,046	1,261,612
Designated funds:		
Fixed Assets Reserve	83,558	9,942
Special Days Reserve	674,000	570,000
Investment Reserve	478,973	443,605
Retail Expansion Reserve	174,000	290,000
Restricted funds	121,084	164,911
Total funds	**2,758,661**	**2,740,070**

Our designated reserves at the end of the year totalled £1,411,000 (2022 £1,314,000). They are made up of:

- **Fixed Assets Reserve -** this reserve allows for the depreciation of fixed assets and is equal to the book value of the fixed assets in the charity.

- **Special Days Reserve -** a reserve to cover the costs of fulfilling applications for Special Days and Treats where the applications have already been received and the service will be delivered in the next financial year. This is set at six months of our direct spend on charitable activities. Our 2023 direct spend on charitable activities was £1,347,000 and therefore £674,000 reflects 6 months of costs.

- **Investment Reserve -** represents 20% of our investment portfolio and allows for fluctuations in the market value of investments.

- **Retail Expansion Reserve -** represents the cash required to expand the charity shop retail chain from the current 7 shops to 10 shops which is planned to happen over the next 2 years.

Our general reserve is the balance of unrestricted funds, at year end it represented 7 months of total expenditure (excluding the direct spend on charitable activities already covered within the special days reserve).

Investments

Willow's governing document permits the trustees to invest the assets of the charity. These investments give assurance that Willow can continue to effectively operate in the short term in the event of a downturn in income.

The Finance & Audit Committee review investment performance quarterly and meet with the Investment Manager, Quilter Cheviot Investment Management, every 3 months to review investment strategy. Willow keeps investments for the medium to long term and does not set annual targets for performance.

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The Manager operates within an agreed asset allocation and guidelines on the size of individual holdings.

As a charity concerned with seriously ill young people, investment in manufacturers of tobacco is expressly prohibited.

Our investments were valued at £2,395,000 on 31 December 2023 (£2,218,000 on 31 December 2022), an increase of 8%.

Principle risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance.

In managing risk, trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken.

It also means that trustees can make the most of opportunities and develop them with the confidence that any risks will be managed.

How we manage risk

Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur.

The Senior Management team regularly reviews all existing risks on the register as well as emerging risks and actions to mitigate risks.

The key risks are reviewed quarterly by the trustees.

The trustees are satisfied that key risks have been identified; that there is sufficient internal accountability and control and that mitigating actions have been identified for each risk. Risks rated high in probability of occurrence and impact, as at December 2023:

1. Donors are supporting Life President, rather than Willow's cause, and will withdraw support once the Life President is less active.
2. Loss on investments.
3. Failure to achieve budgeted income to support organisational plan.

What we do to manage these risks

1. Fundraising and communications strategy based on building support for our cause.
2. Introduction of President roles, income diversification and regular CEO review.
3. Funds managed by professional investment managers, working within risk profile specified by the Finance & Audit Committee.
4. Quarterly review with Investment Manager and designated reserve held against investment loss.
5. Annual activity plan to manage key proactive fundraising and income pipelines on a monthly basis.
6. Strong reserves position as a safeguard against short-term under-performance.

Governance

Legal structure and purpose

Willow is a charitable company limited by guarantee (registered number 5207070) and a registered charity in England and Wales (charity number 1106746) and Scotland (charity number SC045811).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 9 August 2004 and amended on 28 February 2013, 12 January 2015 and 3 February 2023. On 1 January 2005, the assets and activities of the Willow Foundation, a charity established in 1999 and constituted by trust deed, were transferred to this charity. The charity currently has one wholly-owned subsidiary trading company, Willow Events Limited, which was dormant during 2023.

The object of Willow is to enhance the quality of life for seriously ill or handicapped young people aged 16 to 40 years old throughout the UK.

Charity Governance Code

The trustees are committed to good governance and follow the Charity Governance Code to develop and ensure Willow follows high standards of governance. Willow has a Governance Committee in place who are charged with ensuring high standards of governance. The Committee meets twice a year and reviews terms of office, pay proposals, Chair and Trustee succession planning, policies and the Governance Manual.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning.

Subsidiary undertaking

Willow owns 100% of the shares in Willow Events Limited, a company established in 2005 (company no. 5352056) to undertake commercial activity of benefit to the charity. Willow Events Limited was dormant during 2023 and, should it start trading again then any future profits would be donated to the charity.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. Trustees are the directors of the company and serve for renewable terms of three years.

The Board comprised ten trustees as at 31 December 2023. Trustees have a wide range of skills and experience appropriate to the governance of the activities of Willow.

The Board meets at least four times each year to regularly review and direct Willow's strategy, budget and performance. The day-to-day management of the charity is currently delegated by the Chairman to the Executive Team. Specific responsibilities are also delegated to various committees described below.

From time to time the Board reviews the skills of the Trustees against the skills required to direct the affairs of the charity. Where skill gaps are identified, succession and recruitment plans are developed and implemented. The Board of Trustees appoints all new trustees and committee members through a variety of recruitment methods including formal search and word of mouth.

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An induction programme is offered to all new trustees and further updates and training are provided as required. This includes meetings with the Chairman, members of the Executive Team and where possible a Special Day beneficiary.

The committees

All Willow Committees meet at least twice a year and minutes of their meetings are presented to the Board of Trustees by the Chair of each Committee.

The Finance & Audit Committee reviews the charity's annual financial statements, audit matters, investment performance and internal financial controls.

The Retail Committee advises on the charity's shops and the Governance Committee advises on effective governance and Trustee Board membership.

Fundraising

Willow uses a diverse range of fundraising activities to raise vital funds towards the delivery of our service. Our Board of Trustees and Leadership Team are committed to building trust with our supporters.

We are registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. We did not use any professional fundraisers or commercial participators during 2023, other than to seek sponsorship for the London Football Awards.. We monitor fundraisers and volunteers in all aspects of their fundraising and in line with the Code of Fundraising Practice and we provide materials and support to fundraisers and review and provide feedback on performance.

We endeavour to adhere to all codes and best practices set out by the codes and the General Data Protection Regulations.

Our quality assurance also includes regular reviews of complaints and other feedback, as well as regular audits and mystery shopping. In 2023 we recorded and responded to two complaints.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake and have a Safeguarding Children and Vulnerable Adults policy in place which has been approved by the Board of Trustees.

Going Concern Statement

The trustees have reviewed the accounts as well as the charity activities, budgets and plans for 2024 and 2025, reserves position up to the date of signing off these accounts and the group risk register.

The economic situation in 2023 created challenges which are still ongoing. Despite this, the trustees have reasonable expectation that Willow will remain a going concern for the foreseeable future which is determined to be at least 12 months from the signature date of these accounts.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charity was put to the Board of Trustees on 30 August 2024.

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Statement of responsibilities of the trustees

The trustees (who are also directors of Willow for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2023 was 10 (2022: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 30 August 2024 and signed on its behalf by:



Richard King,
Chair of trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLOW FOUNDATION

Opinion

We have audited the financial statements of Willow Foundation (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2023 and of its 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,
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the financial statements

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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.



Joanna Pittman
30 August 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Willow Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	3	949,242	703,855	**1,653,097**	1,343,733
Fundraising events	4	822,280	-	**822,280**	720,246
Retail shops	4	837,331	-	**837,331**	713,706
Other trading activities	4	13,512	-	**13,512**	14,467
Investments	5	74,752	-	**74,752**	63,860
Other		-	-	**-**	-
Total income		**2,697,117**	**703,855**	**3,400,972**	2,856,012
Expenditure on:					
Raising funds	6				
Donations and legacies		573,116	-	**573,116**	548,324
Fundraising events		705,273	-	**705,273**	516,907
Retail shops		710,746	-	**710,746**	541,593
Other trading & investments		19,471	-	**19,471**	19,740
Charitable activities:	6				
Provision for seriously ill young adults		753,222	747,682	**1,500,904**	1,099,956
Total expenditure		**2,761,828**	**747,682**	**3,509,510**	2,726,520
Net income / (expenditure) before net gains on investments		(64,711)	(43,827)	**(108,538)**	129,492
Net gains / (losses) on investments	13	127,129	**-**	**127,129**	(464,278)
Net income / (expenditure) before other recognised gains and losses		62,418	(43,827)	**18,591**	(334,786)
Gains / (losses) on sale of fixed assets		-	-	**-**	-
Net movement in funds		62,418	(43,827)	**18,591**	(334,786)
Reconciliation of funds:					
Total funds brought forward		2,575,159	164,911	**2,740,070**	3,074,856
Total funds carried forward		2,637,577	121,084	**2,758,661**	2,740,070

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Willow Foundation

Balance sheet

Company no. 5207070

As at 31 December 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	12		**83,558**		9,942
Investments	13		**2,394,864**		2,218,026
			2,478,422		2,227,968
Current assets:					
Stock	14	**4,568**		4,986	
Debtors	15	**376,725**		306,909	
Cash at bank and in hand		**249,762**		459,053	
		631,055		770,948	
Creditors: amounts falling due within one year	16	**350,816**		258,846	
Net current assets			**280,239**		512,102
Total assets less current liabilities			**2,758,661**		2,740,070
Total net assets			**2,758,661**		2,740,070
Funds:	20a				
Restricted income funds			**121,084**		164,911
Unrestricted income funds:					
Designated funds		**1,410,531**		1,313,547	
General funds		**1,227,046**		1,261,612	
Total unrestricted funds			**2,637,577**		2,575,159
Total charity funds			**2,758,661**		2,740,070

Approved by the trustees on 30 August 2024 and signed on their behalf by



Richard King, Chair of Trustees

Willow Foundation

Statement of cash flows

For the year ended 31 December 2023

	Note		**2023**		2022
		£	**£**	£	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	21		**(138,305)**		124,351
Cash flows from investing activities:					
Dividends, interest and rents from investments		**74,752**		63,860	
Proceeds from the sale of fixed assets		**-**		-	
Purchase of fixed assets		**(96,029)**		-	
Proceeds from sale of investments		**588,958**		596,335	
Purchase of investments		**(640,705)**		(590,167)	
(Increase)/decrease in cash in investment portfolio		**2,038**		(49,594)	
Net cash provided by investing activities			**(70,986)**		20,434
Change in cash and cash equivalents in the year			**(209,291)**		144,785
Cash and cash equivalents at the beginning of the year			**459,053**		314,268
Cash and cash equivalents at the end of the year			**249,762**		459,053

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

1 Accounting policies

a) Statutory information

Willow Foundation is a charitable company limited by guarantee and is incorporated in the UK. The registered office address is Gate House, Fretherne Road, Welwyn Garden City AL8 6NS.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on the basis that Willow Foundation has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. The going concern basis is appropriate because:

Charity shop sales are strong and the charity expanded in 2023 opening 2 new shops. Fundraising income is budgeted to increase during 2024;

A significant proportion of expenditure is discretionary;

The unrestricted general reserve remains above target level;

The charity has a high level of valuable assets including its investment portfolio. Investments have so far gained in value during 2024 and there has been just one small draw down of funds;

The cash position is positive.

Management have undertaken detailed forecasting and sensitivity analysis to December 2024 and the trustees have considered uncertainties and liquidity risks. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

1 Accounting policies (continued)

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.
For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so please refer to the trustees' annual report for more information about their contribution.
On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes without any more specific purpose being laid down by the donor.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities within the charitable company and its subsidiaries with a fundraising purpose. It includes allocated support costs.

Expenditure on charitable activities includes the costs of delivering and promoting services undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of governance and support, including staff costs within these functions, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity and is reviewed each year.

Charitable activity - provision for seriously ill young adults	56%
Cost of raising funds	44%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Land and buildings	50 years
Leasehold improvements	term of lease
Fixtures and fittings	4 years
Furniture, equipment and software	3 years

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

1 Accounting policies (continued)

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Stocks

Purchased stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are not included in the financial statements until they are sold or distributed.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held by our investment managers for re-investment, which are included in the value of investments.

q) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. With the exception of the listed investments described above, the charity only has financial liabilities of a kind that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their settlement value.

r) Basic financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s) Pensions

The charity's policy is to operate a group personal pension scheme compliant with auto-enrolment requirements and to contribute a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice as long as the employee matches the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2022 Total £
Income from:			
Donations and legacies	839,830	503,903	1,343,733
Fundraising events	720,246	-	720,246
Retail shop sales	713,706	-	713,706
Other trading activities	14,467	-	14,467
Investments	63,860	-	63,860
Total income	2,352,109	503,903	2,856,012
Expenditure on:			
Raising funds			
Donations and legacies	548,324	-	548,324
Fundraising events	516,907	-	516,907
Retail shops	541,593	-	541,593
Other trading & investments	19,740	-	19,740
Charitable activities			
Provision for seriously ill young adults	626,863	473,093	1,099,956
Total expenditure	2,253,427	473,093	2,726,520
Net income before losses on investments	98,682	30,810	129,492
Net gains / (losses) on investments	(464,278)	-	(464,278)
Net income / (expenditure) before other recognised gains and losses	(365,596)	30,810	(334,786)
Gains on sale of fixed assets	-	-	-
Net movement in funds	(365,596)	30,810	(334,786)
Reconciliation of funds:			
Total funds brought forward	2,940,755	134,101	3,074,856
Total funds carried forward	2,575,159	164,911	2,740,070

In 2023, we have amended the presentation on the SOFA to enable a full understanding of the income and expenditure attributable to our events, our retail shops and the remainder of our activities. We have also redefined our charitable activities to be 'provision for seriously ill young adults' instead of splitting out 'Special Days' and 'Treat Packs' as was done in 2022. We have amended the comparatives figures for 2022 in line with this change in presentation.

3 Income from donations and legacies

	Unrestricted £	Restricted £	**2023 Total £**	Unrestricted £	Restricted £	2022 Total £
Gifts	930,242	539,710	**1,469,952**	829,896	418,852	1,248,748
Government funding	-	-	**-**	(2,127)	-	(2,127)
Legacies	19,000	-	**19,000**	12,061	-	12,061
Donated services	-	164,145	**164,145**	-	85,051	85,051
	949,242	703,855	**1,653,097**	839,830	503,903	1,343,733

Government funding consisted of £nil refund to an Access to Work grant (2022: £1,981 reduction).
Within legacies, there is a contingent asset relating to a residual legacy with an estimated value of £195,000. This is contingent on a house sale and should be receivable in 2024.

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

4 Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Fundraising events						
Trading income	802,189		**802,189**	706,820	-	706,820
Donations & gift aid generated by events	20,091		**20,091**	13,426	-	13,426
Retail shops						
Trading income	611,983		**611,983**	483,012	-	483,012
Government funding	-	-	**-**	63,705	-	63,705
Donations & gift aid from Retail Gift Aid Sc	225,348		**225,348**	166,989	-	166,989
Sale of merchandise	2,887	-	**2,887**	3,955	-	3,955
Raffles and other trading	10,625	-	**10,625**	10,512	-	10,512
	1,673,123	-	**1,673,123**	1,448,419	-	1,448,419

Government funding consisted of £nil (2022: £63,705) received via the Kickstart Scheme.

5 Income from investments

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Investment portfolio	71,847	-	**71,847**	62,906	-	62,906
Bank interest	2,905	-	**2,905**	954	-	954
	74,752	-	**74,752**	63,860	-	63,860

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

6a Analysis of expenditure (current year)

	Raising funds: Non-events & non-retail £	Raising funds: Events £	Raising funds: Retail £	Raising funds: Other trading & investments £	Charitable activities £	Governance costs £	Support costs £	**2023 Total £**	2022 Total £
Staff costs (Note 8)	393,900	169,427	412,926	-	668,869	9,169	28,972	**1,683,263**	1,386,610
Direct beneficiary expenditure	-	-	-	-	678,658	-	-	**678,658**	474,797
Costs of fundraising	97,051	-	-	-	-	-	-	**97,051**	105,949
Fundraising events	-	497,502	-	-	-	-	-	**497,502**	309,812
Merchandising and raffles	-	-	-	5,972	-	-	-	**5,972**	5,922
Running retail shops	-	-	297,820	-	-	-	-	**297,820**	187,247
Investment management	-	-	-	13,499	-	-	-	**13,499**	13,818
Audit and accountancy	-	-	-	-	-	14,430	-	**14,430**	13,590
Other governance costs	-	-	-	-	-	1,561	-	**1,561**	1,447
Communications	-	-	-	-	-	-	37,153	**37,153**	59,834
Premises, facilities & IT	-	-	-	-	-	-	161,652	**161,652**	149,153
General management & HR	-	-	-	-	-	-	15,187	**15,187**	12,592
Financial administration	-	-	-	-	-	-	5,762	**5,762**	5,749
	490,951	666,929	710,746	19,471	1,347,527	25,160	248,726	**3,509,510**	2,726,520
Support costs	74,617	34,822	-	-	139,287	-	(248,726)	**-**	-
Governance costs	7,548	3,522	-	-	14,090	(25,160)	-	**-**	-
Total expenditure 2023	**573,116**	**705,273**	**710,746**	**19,471**	**1,500,904**	**-**	**-**	**3,509,510**	
Total expenditure 2022	548,324	516,907	541,593	19,740	1,099,956	-	-		2,726,520

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

6b Analysis of expenditure (prior year)

	Raising funds: Non-events & non-retail £	Raising funds: Events £	Raising funds: Retail £	Raising funds: Other trading & investments £	Charitable activities £	Governance costs £	Support costs £	**2022 Total £**
Staff costs (Note 8)	347,614	162501	354346	-	485,803	8,999	27,347	**1,386,610**
Direct beneficiary expenditure	-	-	-	-	474,797	-	-	**474,797**
Costs of fundraising	105,949	-	-	-	-	-	-	**105,949**
Fundraising events	-	309812	-	-	-	-	-	**309,812**
Merchandising and raffles	-	-	-	5,922	-	-	-	**5,922**
Running retail shops	-	-	187247	-	-	-	-	**187,247**
Investment management	-	-	-	13,818	-	-	-	**13,818**
Audit and accountancy	-	-	-	-	-	13,590	-	**13,590**
Other governance costs	-	-	-	-	-	1,447	-	**1,447**
Communications	-	-	-	-	-	-	59,834	**59,834**
Premises, facilities & IT	-	-	-	-	-	-	149,153	**149,153**
General management & HR	-	-	-	-	-	-	12,592	**12,592**
Financial administration	-	-	-	-	-	-	5,749	**5,749**
	453,563	472,313	541,593	19,740	960,600	24,036	254,675	**2,726,520**
Support costs	86,589	40,748	-	-	127,338	-	(254,675)	**-**
Governance costs	8,172	3,846	-	-	12,018	(24,036)	-	**-**
Total expenditure 2022	**548,324**	**516,907**	**541,593**	**19,740**	**1,099,956**	**-**	**-**	**2,726,520**

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

7 Net incoming resources for the year

This is stated after charging / crediting:

	2023 £	2022 £
Depreciation	**22,413**	16,021
Profit / (loss) on disposal of fixed assets	**-**	-
Operating lease rentals: Property	**207,687**	157,032
Operating lease rentals: Vehicles	**3,076**	3,564
Auditors' remuneration (excluding VAT):		
Audit	**12,000**	11,300
Other services	**1,235**	1,155

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	**1,414,472**	1,159,713
Social security costs	**126,259**	100,625
Employer's contribution to defined contribution pension schemes	**135,057**	122,085
Other forms of employee benefits	**7,475**	4,187
	1,683,263	1,386,610

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2023 No.	2022 No.
£90,000 - £99,999	**1**	1

The total employee benefits including NI and pension contributions of the key management personnel were £238,080 between 3 senior staff (2022: £238,371 between 3 senior staff).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses representing the payment or reimbursement of travel and subsistence costs are potentially payable but none were claimed in 2023 (2022: £nil).

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

9 Staff numbers

The average number of employees during the year was as follows:

	2023 No.	2022 No.
Full-time equivalent staff numbers		
Raising funds - voluntary income	**8.6**	7.5
Raising funds - fundraising events	**4.0**	3.7
Raising funds - retail shops	**14.3**	14.8
Charitable activity: Provision for seriously ill young adults	**16.0**	11.1
Support	**0.7**	0.6
Governance	**0.1**	0.1
	43.7	37.8
Headcount	**53**	49
Full-time staff	**20**	14
Part-time staff	**33**	35
	53	49

10 Related party transactions

There are no donations from related parties outside the normal course of business and no restricted donations from related parties for this financial year.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

No UK corporation tax was payable in 2023 (2022: £nil).

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

12 Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Equipment, furniture & software £	**Total £**
Cost				
At the start of the year	170,955	38,446	167,507	**376,908**
Additions in year	35,628	13,555	46,846	**96,029**
Disposals in year	(561)	(4,098)	(19,169)	**(23,828)**
At the end of the year	206,022	47,903	195,184	**449,109**
Depreciation				
At the start of the year	166,777	34,909	165,280	**366,966**
Charge for the year	7,214	3,356	11,843	**22,413**
Eliminated on disposal	(561)	(4,098)	(19,169)	**(23,828)**
At the end of the year	173,430	34,167	157,954	**365,551**
Net book value				
At the end of the year	32,592	13,736	37,230	**83,558**
At the start of the year	4,178	3,537	2,227	9,942

All of the above assets are used for charitable purposes.

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

13 Listed investments

	2023 £	2022 £
Fair value at the start of the year	**2,136,211**	2,606,657
Additions at cost	**640,705**	590,167
Disposal proceeds	**(588,958)**	(596,335)
Net gain on change in fair value	**127,129**	(464,278)
Fair value at the end of the year	**2,315,087**	2,136,211
Cash held by investment broker pending reinvestment	**79,777**	81,815
Fair value at the end of the year including cash	**2,394,864**	2,218,026

Investments comprise:

	2023 £	2022 £
Equity shares listed in the UK	**458,244**	549,179
Equity shares listed in mainland Europe	**123,506**	103,770
Equity shares listed in the USA	**664,538**	447,698
Equity shares listed in Japan & Asia	**100,826**	152,120
Equity shares Global	**51,900**	142,940
UK bonds	**433,103**	219,410
Alternative Investments	**294,503**	373,608
Global bonds	**81,020**	104,286
Emerging markets	**107,447**	43,200
Cash	**79,777**	81,815
	2,394,864	2,218,026

14 Stock

	2023 £	2022 £
Finished goods	**4,568**	4,986
	4,568	4,986

15 Debtors

	2023 £	2022 £
Trade debtors	**68,659**	37,672
Other debtors	**13,264**	9,950
Prepayments	**242,905**	202,995
Accrued income	**51,897**	56,292
	376,725	306,909

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	**124,262**	86,996
Taxation and social security	**25,310**	22,140
Other creditors	**45,897**	14,197
Accruals	**73,673**	75,010
Deferred income	**81,674**	60,503
	350,816	258,846

17 Deferred income

Deferred income comprises proceeds from tickets sold for fundraising events due to take place the following year.

	2023 £	2022 £
Balance at the beginning of the year	**60,503**	88,037
Amount released to income in the year	**(60,503)**	(69,188)
Amount deferred in the year	**81,674**	41,654
Balance at the end of the year	**81,674**	60,503

18 Pension scheme

Willow Foundation operates a group personal pension scheme compliant with auto-enrolment requirements, provided by Royal London Mutual Insurance Society Ltd. The charity contributes a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice. The employee must at least match the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

The pension cost of these schemes during the year was £135,057 (2022: £122,085). At 31 December 2023 £14,797 in contributions was outstanding (2022: £11,181).

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

19a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	83,558	-	83,558
Investments	1,067,891	1,326,973	-	2,394,864
Net current assets	159,155	-	121,084	280,239
Net assets at 31 December 2023	**1,227,046**	**1,410,531**	**121,084**	**2,758,661**

19b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	9,942	-	9,942
Investments	914,421	1,303,605	-	2,218,026
Net current assets	347,191	-	164,911	512,102
Net assets at 31 December 2022	1,261,612	1,313,547	164,911	2,740,070

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

20a Movements in funds (current year)

	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 December 2023 £**
Restricted funds:					
Specific beneficiaries	-	164,145	(164,145)	-	**-**
Special Days - specific illness	779	-	(650)	-	**129**
Special Days - palliative	-	95,500	(95,500)	-	**-**
Special Days - specific areas	6,855	-	(4,855)	-	**2,000**
Treat Packs - specific areas	-	2,000	(2,000)	-	**-**
Charitable Service - specific illness	-	100,300	(46,200)	-	**54,100**
Charitable Service - rare diseases	67,427	93,450	(137,982)		**22,895**
Charitable Service - palliative	50,000	-	(50,000)	-	**-**
Charitable Service - specific areas	39,850	161,460	(160,075)	-	**41,235**
Charitable service- specific age	-	80,000	(80,000)	-	**-**
Charitable service- wheelchair users	-	5,000	(4,275)	-	**725**
Charitable Service - combination of specific illness and / or areas and / or age	-	2,000	(2,000)	-	**-**
Total restricted funds	164,911	703,855	(747,682)	-	**121,084**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	9,942	-	-	73,616	**83,558**
Special Days Reserve	570,000	-	-	104,000	**674,000**
Investment Reserve	443,605	-	-	35,368	**478,973**
Retail Expansion Reserve	290,000	-	-	(116,000)	**174,000**
Total designated funds	1,313,547	-	-	96,984	**1,410,531**
General funds	1,261,612	2,824,246	(2,761,828)	(96,984)	**1,227,046**
Total unrestricted funds	2,575,159	2,824,246	(2,761,828)	-	**2,637,577**
Total funds	2,740,070	3,528,101	(3,509,510)	-	**2,758,661**

The narrative to explain the purpose of each fund is given at the foot of the note below.

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

20b Movements in funds (prior year)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Restricted funds:					
Specific beneficiaries	-	85,051	(85,051)	-	**-**
Special Days - specific illness	779	650	(650)	-	**779**
Special Days - palliative	-	78,000	(78,000)	-	**-**
Special Days - specific areas	15,600	-	(8,745)	-	**6,855**
Treat Packs - specific areas	492	-	(492)	-	**-**
Treat Packs - hospice users	-	6,000	(6,000)	-	**-**
Charitable Service - specific illness	5,355	25,000	(30,355)	-	**-**
Charitable Service - rare diseases	-	113,777	(46,350)		**67,427**
Charitable Service - palliative	-	50,000	-	-	**50,000**
Charitable Service - palliative parents	75,465	1,000	(76,465)	-	**-**
Charitable Service - specific areas	34,790	100,425	(95,365)	-	**39,850**
Charitable service- specific age	-	33,000	(33,000)	-	**-**
Charitable Service - combination of specific illness and / or areas and / or age	1,620	11,000	(12,620)	-	**-**
Total restricted funds	134,101	503,903	(473,093)	-	**164,911**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	25,963	-	-	(16,021)	**9,942**
Special Days Reserve	572,024	-	-	(2,024)	**570,000**
Investment Reserve	527,776	-	-	(84,171)	**443,605**
Retail Expansion Reserve	290,000	-	-	-	**290,000**
Total designated funds	1,415,763	-	-	(102,216)	**1,313,547**
General funds	1,524,992	1,887,831	(2,253,427)	102,216	**1,261,612**
Total unrestricted funds	2,940,755	1,887,831	(2,253,427)	-	**2,575,159**
Total funds	3,074,856	2,391,734	(2,726,520)	-	**2,740,070**

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

Purposes of restricted funds

The 'Specific Beneficiaries' restricted fund relates to discounts and gifts in kind which are given for a specific beneficiary's Special Day or Treat Pack or else grants made specifically for certain beneficiaries.

The next Special Days, Treat Packs and Charitable Service restricted funds listed are all funds given for charitable activities of a particular kind. Some donors restricted the activity to certain types of Special Day only, to Special Days only and some to Treat Packs only whereas some restricted it to any service provided to the beneficiaries. Within these categories, donors have chosen to restrict to benefit people from a particular geographical area, a particular age group or suffering a particular type of illness - or some combination of these factors.

Purposes of designated funds

The Fixed Assets Reserve represents the net book value of the leasehold improvements in the building occupied by the charity or its subsidiaries and the furniture, software and equipment owned by the group. Funds tied up in these assets are not available for spending on special days.

The Special Days Reserve represents the costs of fulfilling applications for Special Days and Treats where the applications have already been received and the service will be delivered in the next financial year. This is set at 6 months of our direct spend on charitable activities.

The Investment Reserve is an ongoing fund to protect the operations of the charity from downward fluctuations in investment markets. Net investment gains are added to this fund in subsequent years subject to a maximum of 20% of the value of the investment portfolio.

The Retail Expansion Reserve represents the cash required to expand the charity shop retail chain from the 5 shops at the end of 2022 up to 10 shops. Two shops were opened during 2023 and the trustees intend that the other 3 shops will open over 2024 and 2025.

Transfers have been made between the general fund and designated funds in order to achieve the required levels in the designated funds.

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

	2023	2022
	£	£
Net income for the reporting period (as per the statement of financial activities)	**18,591**	(334,786)
Depreciation charges	**22,413**	16,021
(Gains)/losses on investments	**(127,129)**	464,278
Dividends, interest and rent from investments	**(74,752)**	(63,860)
(Profit)/loss on the disposal of fixed assets	**-**	-
(Increase)/decrease in stocks	**418**	705
(Increase)/decrease in debtors	**(69,816)**	24,087
Increase/(decrease) in creditors	**91,970**	17,906
Net cash provided by / (used in) operating activities	**(138,305)**	124,351

Willow Foundation

Notes to the financial statements

For the year ended 31 December 2023

22 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Vehicles		Property	
	2023	2022	**2023**	2022
	£	£	**£**	£
Less than one year	**2,798**	2,376	**195,471**	160,569
One to five years	**2,099**	-	**447,091**	390,616
Over five years	**-**	-	**-**	-
Over five years	**-**	-	**78,565**	136,521
	4,897	2,376	**721,127**	687,706

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Charity information

Life Presidents
Megs Wilson (deceased 28 November 2023)
Bob Wilson OBE

Honorary Presidents
David Seaman MBE (appointed 8 September 2023)
Frankie Seaman (formerly Poultney) (appointed 8 September 2023)

Ambassadors
Natasha Kaplinsky OBE
Pat Jennings CBE
Mary Nightingale
Theo Walcott
Jim Rosenthal
Linda Lusardi
Sam Kane
Lee Dixon
Gary Mabbutt MBE
Simon McCoy
Ian Poulter
Gary Lewin
Ian Wright OBE
Martin Chivers
Ossie Ardiles
Katie Swan
Alfie Boe OBE
Leah Williamson OBE
Mica Paris MBE
Daniel Field – appointed June 2024
Alex Newman – appointed July 2024
Tom Rosenthal – appointed August 2024

Trustees
Richard King – Chair
Nicholas Aldridge
Stewart Bennett
Elena Ciallie
Rachel Jones
Paul Phedon – appointed 3 February 2023
Martin Ryan
Vanessa Steel
Glyn Taylor
David Waddington CBE
Sangita Shah – appointed 13 June 2024

Committee Members
Maurice Gammell
Graham Nicholas

Senior Management
Jonathan Aves – Chief Executive
Claire Kermode – Company Secretary, Finance, Resources and Retail Director
Dominic Heath – Special Days Director

Principal address and registered office
3rd Floor, Gate House, Fretherne Road,
Welwyn Garden City, Hertfordshire AL8 6NS
Telephone: 01707 259777 Website: willowfoundation.org.uk

Auditors: Sayer Vincent LLP, 110 Golden Lane, London EC1Y 0TG

Solicitors: Pellys Solicitors Ltd, 18 The Causeway, Bishops Stortford CM23 2EJ

Principal banker: NatWest Bank, 2nd floor Argyll House, 246 Regent Street, London W1P 3PB

Investment managers: Quilter Cheviot Investment Management, Senator House,
85 Queen Victoria Street, London, EC4V 4AB.

willow

special days for seriously ill young adults

Willow, Gate House, Fretherne Road,
Welwyn Garden City, Hertfordshire AL8 6NS

T: 01707 259 777 F: 01707 259 289
E: info@willowfoundation.org.uk **W:** willowfoundation.org.uk

Willow Foundation is a registered charity in England and Wales No. 1106746 and a registered charity in Scotland No. SC045811. It is also a company limited by guarantee No. 520707

WILLOW FOUNDATION

England & Wales - Charity number 1106746

Accounts



willow

Annual Report 2022

Willow Foundation is a registered charity no. 1106746
and a company limited by guarantee no. 5207070.

The trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 52 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

This trustees' annual report includes a directors' report as required by company law.

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Our year in review

After a tough couple of years, we were really pleased to start to get back to a new version of normal in 2022. Referrals into our Special Days team exceeded pre-pandemic levels and we were able to support more beneficiaries than ever before. Our major events, which had been cancelled or moved online during the pandemic, were back and our supporters were able to attend challenge or community events in-person.

As with many other charities, we took this opportunity to review our plans for the future. We refocused on the three pillars of our strategy - growth, impact and sustainability. Our senior management team agreed on eight new projects for 2022/23 aligned to these pillars, which will help us to evolve as a charity and deliver our services to more people. We also started to look at how we could take our learnings from the last two years to further develop our services. As a team, we explored potential challenges and agreed ways in which we could possibly mitigate these to build our resilience. Taking the time to step back and test, learn and understand these areas means we are moving into 2023 with a renewed sense of excitement for what the future holds for Willow.

Along with looking at what we could do differently, we also reflected on what we are already doing well. The Special Treats that we introduced during lockdown were so well received that we made them part of our standard service offering. These have been particularly popular with people affected by rare diseases, an area where we are trying to offer more services as these people often feel isolated and have less support. Our Special Days are also going from strength to strength and in 2023 we are hoping to deliver 1,000 Special Days and Special Breaks. This will see us hitting the milestone of having helped 20,000 people to make lasting memories with their loved ones.

Closer to home, we introduced hybrid working for our team which has improved work/ life balance, reduced office costs and helped us to attract skilled staff from further afield. We have a fantastic team who really care about our beneficiaries and this shines through in their work.

I'd like to take this opportunity to thank everyone who has been part of Willow's success this year, from the staff and volunteers to partners, supporters and fundraisers. We couldn't do it without you.

Richard King
Chair of Trustees
Willow Foundation

About Willow

Willow is the only national charity working with seriously ill young adults aged 16 to 40 to fulfil uplifting and unforgettable Special Days.

Since 1999 Willow has fulfilled more than 19,000 Special Days for young adults living with life-threatening illnesses such as cancer, motor neurone disease, cystic fibrosis, muscular dystrophy and Huntington's disease, along with many other rare conditions.

Willow was founded in 1999 by former Arsenal goalkeeper and TV presenter, Bob Wilson and his wife Megs, as a lasting memorial to their daughter Anna, who died of cancer aged 31.

The inspiration for Willow came from Anna's determination to live every moment to the full, despite the most difficult circumstances.





When we think of Anna, we think of her smiling.

She taught us that quality of life and quality of time is paramount.

Anna's philosophy is the rock on which Willow was founded.

Bob & Megs Wilson, Willow Life Presidents

Every year thousands of 16-40 year olds in the UK are newly diagnosed with a life-threatening illness. When they should be enjoying the prime of life, they're dealing with stress, isolation, medication and hospital appointments.

We believe that every moment should be precious. We're dedicated to helping young adults take much needed time out from the reality of living with serious illness, creating magic moments that become lasting memories.

From Special Treats, our little boxes of joy, to Special Days at Home for all the family. From fun-packed Special Days Out to quiet Special Breaks away from it all; we offer the chance to meet heroes and legends or the opportunity to fulfil a lifelong dream.

In the toughest times, Willow creates life-affirming experiences that boost morale and bring friends and families together to create precious memories.

Our belief

We believe in quality of life and quality of time

Our vision

Young adults with life threatening illnesses and those close to them are able to take full advantage of what life has to offer

Our mission

To improve the quality of life of young adults aged 16 to 40 with life-threatening illnesses through the provision of Special Days

Our aim

To offer a Special Day to every seriously ill young adult in the UK

Our values

We are caring

We are all about special relationships

We cherish people and time

We have the courage to imagine otherwise

Our strategic focus

In 2022 we:



Our service

- prioritised need to ensure we were supporting the most medically urgent referrals - 76% of beneficiaries were palliative or degenerative in 2022 (up from 45% in 2021)
- increased the number of non-cancer referrals to 47% (up from 14% in 2021)
- built more than 300 new medical referrer relationships



Our funding

- introduced a steering group to agree our service provision focus and provide a narrative to support our ability to attract funding to better deliver our service
- developed a service related fundraising plan



Our team

- restructured our events team and recruited a new Head of Events
- recruited a new trustee with senior level events experience
- launched the new Willow website to improve user journeys and better support recruitment of staff and volunteers

Looking to the future: our 2023 plans



Our growth

- Raise more than £3m income
- Grow our beneficiary reach by 10%
- Deliver a retail growth plan to include opening two new shops
- Return our events income to pre-pandemic levels



Our financial sustainability

- Develop new income streams
- Work together to develop a blue sky strategy and agree how to deliver this
- Recruit a new trustee with specific skills in PR and communications
- Implement our new people plan
- Invest in a new supporter database to improve engagement
- Focus on sustainable income areas



Our Impact

- Support at least 1,100 seriously ill young adults in 2023
- Focus on beneficiaries that need us most, such as those with rare or incurable illnesses
- Develop plan to encourage long term engagement with our beneficiaries
- Increase our digital presence through the use of new platforms
- Recruit new ambassadors to further promote the work of Willow

Our people

It was a delight to see Team Willow going from strength to strength in 2022. We renewed our commitment to hybrid working, enjoying the benefits of being back together as a team in the office, but also enjoying the advantages of working remotely for part of the week. As many other organisations have seen, working in this way has helped to promote work-life balance for staff and has been a key factor in attracting new talent to the team.

With support from the board we invested in new roles within the organisation in areas key to achieving our strategic aims of growth, impact and sustainability. We are delighted with the success of our participation in the Government's Kickstart Scheme and as a result, have welcomed two participants as permanent employees in our retail operations.

We thank all our staff for their hard work and dedication in making 2022 a successful year.



Team Willow


In the community

Volunteers

Our incredible volunteers also continued to support the team, fully embracing the hybrid model of working. We are delighted that our volunteer hours grew to reach pre-pandemic levels as we continued to welcome new volunteers both in the office and supporting us remotely, as well as back at our full calendar of fundraising events.

We just couldn't do what we do without our dedicated volunteers. In 2022 we were fortunate to be gifted over 16,500 hours which we estimate to have an equivalent value of over £157,000.

As we move in to 2023, we have a key focus on attracting new volunteers to our new retail stores in Biggleswade and Hertford. Our retail operations could not function without volunteers in every store. We also see the importance our retail stores have in our community and we look forward to becoming part of the Biggleswade and Hertford communities.

Staff Remuneration Policy

The decision regarding pay increases is primarily informed by benchmarking salaries through participation in the Cendex Voluntary Sector Salary Survey, and specifically for retail, in the participation and reporting of the Charity Retail Association. Our priority is to ensure that salaries are paid at market level rates and we will first address any salary anomalies where this is not the case. Consideration will then be given to individual performance and position within an employee's pay band. Pay increases for any individual above 10% requires further higher level approval from the Governance Committee. The pay of the Chief Executive and leadership team is reviewed and approved by the Governance Committee. New staff are offered a salary that takes into account the skills and experience they bring to the role, the responsibility level and job function of the role, pay equality, and affordability. The pay of a new employee will not generally be reviewed in their first year. The same terms and conditions and pension provisions apply to all staff.

Remuneration

In 2022 we were acutely aware of the pressures of the cost of living crisis and our salary review process reflected this as we implemented an across the board pay award. In addition, we also rewarded all staff with a one-off payment specifically in relation to the cost of living crisis. The Trustee Board oversees the pay, pension and benefits for the Chief Executive and senior leadership team through the Governance Committee.



Our fantastic staff and volunteers at the Willow Ball 2022



Team Willow enjoying the Willow Shoot

We are proud to have arranged memorable experiences for 1158 seriously ill young adults and their loved ones during 2022



Special Treats 637

Handpicked gifts, tailored to the needs of our beneficiaries, e.g. luxurious food, games, pamper gifts, keepsakes or sensory items that give a boost and a little luxury 'me time'.



Special Breaks 241

Short breaks in the UK, usually 2-4 nights. For those travelling greater distances but also those with more complex medical needs who may need support from a carer



Special Days Out 237

Day trips and overnight stays in the UK. Usually focused around a key activity, a theme park or theatre trip. May also include accommodation and meals.



Special Days At Home 43

Fun activities in the comfort of the beneficiary's home, including a pop-up outdoor cinema, themed afternoon tea or a petting zoo in the garden.

Gender split

- 63% Identify as female
- 36% Identify as male
- 1% Identify as non-binary

Females account for double the incidence of cancer in the age range 25 to 40 compared to males, which is reflected in our support numbers.

Age



- 16-20 17%
- 21-30 37%
- 31-40 46%

By location



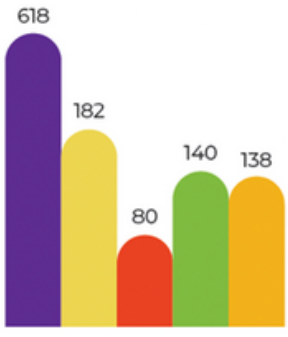
East	14%
East Midlands	7%
London	7%
North East	7%
North West	11%
Northern Ireland	2%
Scotland	5%
South East	11%
South West	8%
Wales	6%
West Midlands	13%
Yorks & Humber	9%

We supported young adults with 43 different types of cancer.

The three most common cancers supported were breast cancer, lymphoma and leukaemia and they represented 47% of all cancer support.

The rarest three cancers supported were bladder cancer, cancer of the salivary gland and throat cancer. They made up just 0.5% of all cancer support.

By condition



- Cancer
- Neurodegenerative
- Organ Failure
- Respiratory
- Other

This category covers many different conditions. Some will have been diagnosed at a very young age, others in adulthood. Examples include muscular dystrophy, motor neurone disease, Alström syndrome, Huntington's disease and Rett syndrome.

Some 80% of our young adults with organ failure were diagnosed with kidney failure.

We connected with 100 cystic fibrosis health professionals across the UK. Together they referred 140 young adults to our services.

Our services

An individual approach

Willow offers a range of four different services: Special Breaks, Special Days Out, Special Days at Home and Special Treats. This gives beneficiaries choice, but also gives us the opportunity to support everyone who is eligible for support with the service which best suits their needs.

In 2022, Special Treats became a permanent part of our service, which are specifically aimed to support those who are unable to participate in a Special Day or Break, for example if they are too poorly or have very complex medical needs. We reached these groups through partnerships with organisations such as Hospice UK, Together for Short Lives and NHS palliative care centres across the UK.

Prioritising people who need our services most

With a greater demand than ever on charitable services and economic changes which affect what support is available to those with life-threatening illnesses each year, we continue to pursue our strategy of prioritising our services to those in greatest need. This is defined by our medical advisors with feedback from medical professionals and organisations across the UK. Our core focus in 2022 was to grow support for those with:-

- Incurable conditions or a palliative prognosis, where sadly there is only a short period of time to create last memories with loved ones.

- Life-limiting conditions (i.e. degenerative, genetic and metabolic), often with very complex day-to-day needs and with a significant impact on quality of life.

- Conditions other than cancer – There are many charities specifically aimed at supporting those with cancer due to the high incidence rate. With Willow supporting all types of life-threatening illness, we have focused on other conditions where there is very little charity support available. Sometimes Willow is the only charity they are eligible to apply to.

- Rare conditions, journeys that are often lonely and isolating, again with very little support available, especially when compared to more well-known conditions with larger patient groups. This includes all rare life-threatening illnesses, including the rarest forms of cancer.

An overwhelming 75% of our beneficiaries fall within one of more of the above four categories.



"Caring is stressful enough without the additional worry of paying rising bills. We are totally reliant on electric for medical equipment and keeping warm as Janessha cannot regulate her temperature. Our trip to the aquarium took us away from all that. We all had a wonderful time making new memories that we can treasure. Janessha is non verbal but when I show her the videos and pictures from her Special Day her whole face lights up. Thank you Willow."

Jannesha, 18 from Dyfed, has Rett syndrome, a rare disorder affecting brain development

Making precious memories



Jyoti

Jyoti, 40 from Coventry was a fit and healthy physiotherapist when she was suddenly diagnosed with Gestational Trophoblastic Disease, a rare cancer. She chose a weekend break in London for her Special Day to celebrate the end of her treatment.

"I had an extremely busy and active lifestyle prior to diagnosis. I worked full time, enjoyed socialising and was training to be a yoga teacher.

"I started getting back pain which was not shifting with any exercise so I decided to get it checked. My GP referred me to hospital and I had an ultrasound scan which revealed a large mass on my right ovary.

"The specialist told me he will put me on urgent pathway as it could be cancer. This was a complete shock. Within the next few days the diagnosis was confirmed. My husband and I were shattered and my whole family, who live in India, were totally distressed.

"Since my diagnosis, I have had to take time off work and stop the yoga course. I have needed more help with housework and school runs so I had to call my mum and sister over from India to help out.

"I wanted my Special Day to be something my family could enjoy together. I have always wanted to spend a night in London so I could look at the night view of the London Eye and Big Ben. We had an overnight stay with a great view at the Park Plaza Hotel at Westminster. My family felt very special and had not expected such a treat. We all have very precious memories of this day spent together. "

Mia, 16, from Kent has received treatment for leukaemia. She had an amazing Special Day at the England VS Switzerland match where she was able to create memories which will last a lifetime.

"My diagnosis has changed everything for me and has put life into perspective. Covid affected me a lot as being isolated meant not being able to see my family - I had to be careful as I am clinically vulnerable.

"My Special Day was a chance to forget about everything that has gone on and to be able to enjoy myself again. We had amazing seats and even went pitch-side to watch the players warm up. It was crazy we were so close to them. I have created memories to last a lifetime."



Mia

Making precious memories



Ethan, 25 from Bradford, is living with complex congenital heart disease. His Special Day with his family at the Honeysuckle holiday retreat in Northumberland was just what he needed after a difficult year.

"Having a complex heart condition is hard as I constantly get out of breath and am very limited to how far I can walk. I have been using a wheelchair to get around which has to be pushed by my mum or stepdad. I now have a mobility scooter so can get around to more places that I have never been to before.

"I had to isolate for almost two years due to Covid. My family did their best to stop me from getting it. However, I contracted a really bad infection and was in hospital for weeks on many antibiotics.

""After having an awful start to the year I wanted to get away with my family and dogs. We love to visit Northumberland and being together away from home was just what the doctor ordered.

"My Special Break away at Honeysuckle retreat was just what I needed. It was a lovely caravan with everything that we could need as a family, including a hot tub. I managed to get out on my scooter to a country park, sat at the top of the sand dunes and looked over at the beach and sea. I think the sea air and quietness of the caravan park did us all good. It was nice to be away from home without all the stress of everyday life. Just to sit down and relax as a family."

Kevin, 28 from Southampton, has Neuro Behçet's Disease and received one of our Special Treat boxes.

"I haven't been able to work in three years. Some days are so hard to even get out of bed or leave the house. I can't do all the normal things I used to do with friends as pain takes over. It's been a long journey with a lot of hospital appointments and treatment, both locally and in London.

"I received my treat box and WOW! How amazing to receive something like that through the post! It definitely put a smile on my face"



Funding our service

Willow operates a broad fundraising model for raising charity income. Our fundraising platform can be split into three key areas:

1. **Gifts**
   - This comprises income raised through donations from areas such as trusts and foundations, community groups, individual giving, corporates and through challenge activities.
   - In 2022 these activities raised 47% of our total income. All together these initiatives provided a return on Investment (ROI) of 2.83.

2. **Major Events**
   - Major events are a key fundraising activity for the charity. The costs of the events are funded by income from the activity itself, not funded by donations received elsewhere in the charity.
   - In 2022 our major fundraising events contributed 28% towards our total gross income with an ROI of 1.77.

3. **Retail trading**
   - Retail shops offer a sustainable, regular income to our charity. This is a commercial activity and therefore with associated costs – these costs are covered by income from the trading itself, not covered by donations received elsewhere in the charity.
   - Our retail operation (5 shops) contributed 25% of our total gross income in 2022 with an ROI of 1.39.

In summary, large fundraising events have for many years provided a significant and important proportion of income. Events also bring the added benefit that a person who has engaged with our charity as a guest at our signature events could become a regular giver or introduce other fundraising to our charity. However, due to how events income is generated, the ROI is not as healthy as our more traditional ways of raising income.

Major events, together with our retail operation, reduce our overall charitable spend ratio but offer a significant net contribution to the charity that in 2022 has allowed us to fund 42% of our services.

Diversification of income meant that despite losses during the pandemic in community and events areas for example, we could rely on income areas that held their own, most notably in retail, individual giving and trusts and foundations.

Our Board of Trustees and Leadership Team approve and review Willow's fundraising strategy. They are committed to continuing Willow's diversified fundraising approach and have agreed on Willow's key focus which is to achieve a more sustainable and balanced, fundraising model.

This focus means developing legacy initiatives, attracting and developing our regular giving, growing our retail network as well as aiming to achieve multi-year funding with (prospective) trust and corporate relationships. Multi-year commitments would provide some stability against the continued uncertain backdrop. These initiatives would allow us to commit to the growth of our service.

Note - Fundraising return on investment is calculated pre overheads; Willow received just £12,000 of legacy income in 2022; no statutory funding was received except for Kickstart Scheme funding within our retail operation.

Income by fundraising area

Below is a summary of income by fundraising area which also shows where the income sits in the financial statements.

Income stream	Total	Donations, legacies and government grants	Fundraising events	Retail shops	Other trading activities	Investments
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Major Events	814	107	707			
Community & Challenge	407	407				
Retail	714	231		483		
Corporate Partnerships	188	188				
Trusts & Foundations	493	493				
Individual Giving	176	162			14	
Investments	64					64
Total	2,856	1,588	707	483	14	64

We are very grateful to the wide and diverse community of supporters who make our work a reality. None of this would be possible without the support of everyone who donated, joined us at an event or took part in our fundraising activities this year.

Major events programme

In 2022, the Major Events team was able to put on a full calendar of events for the first time since the pandemic. However, many of the events were still impacted with some needing to be smaller than pre-pandemic levels. Despite that, it was an incredibly successful year for the team which surpassed its overall income target.

We kicked off the year with an exclusive London Football Awards, with around 200 guests in attendance including current and former players. Although smaller than previous years due to FA restrictions, the feedback was hugely positive with guests commenting on the preference for a more exclusive event.

We also had the Willow Shoot, Willow Golf Classic and Frogmore Golf Day. The Willow Golf Classic was well attended by our ambassadors, as well as a range of other sporting celebrities.

We ended the year with our fantastic Willow Ball. The event was held at the Sheraton Grand Hotel with 220 guests in attendance, including many of our celebrity ambassadors. We had hoped to attract nearer to 300 guests, however the lower attendance was mitigated by the hugely successful fundraising on the night; particularly the live auction.



Willow Ball dancers



Golf Classic



Willow Shoot



London Football Awards

Community and challenge



Willow Duck Race

Community and challenge fundraising regained momentum throughout 2022, with our loyal supporters keen to resume events and activities in person. Once again they enjoyed running, walking and climbing to fundraise and spread awareness of Willow. Activities took place from the Lake District to Mont Blanc and numerous locations in between.

Bake sales, football tournaments, a school reunion and a drag show highlighted the creativity and drive to raise funds. Donations in lieu of wedding and birthday gifts were generously given, including a milestone birthday for our Life President and Founder, Megs Wilson, who turned 80.

We were delighted to see competitor numbers back to pre-Covid levels at our annual Willow 10k. New options of walking the route or taking part in our 1.8km family fun run were well received and allowed the spectacular grounds of Hatfield House to be enjoyed at a more leisurely pace.

By entering into a partnership with Run for Charity, we found fresh support and now offer access to 100's of exciting third party challenge events.

In addition we maintained strong and mutually beneficial relationships with a number of longstanding local businesses and a variety of clubs and companies who selected us as their charity of the year.

As the year drew to a close our popular Christmas Carol Concert at St Albans Cathedral was once again a sell out and as always a joyous and moving occasion.



Willow 10K



Folk By The Oak



London Marathon



Carol Concert

Retail

Our shops across Hertfordshire are a vital revenue stream to fund our services, and an important channel for us to raise awareness of our work.



A warm Willow welcome

In 2022 we traded from five Willow shops without disruption from Covid. On reaching this stable point we decided to return to our expansion plan of increasing the number of shops in our portfolio by two each year. In 2022 we had planned to open one shop, however we take care on location to ensure the best return on our investment which meant opening in March of 2023 in a fantastic location on Biggleswade High Street, shortly followed by Hertford in April. We plan to open our 8th shop in the last quarter of 2023.


Our Welwyn shop's 8th anniversary

Despite the challenging conditions throughout the year, and thanks to the hard work and incredible commitment of our shop teams and generous donations from our supporters, we achieved a remarkable £190k profit to invest in the provision of Special Days and Special Treats which was massively ahead of our expectations.

The resilience of our retail model is attributable to a combination of factors:

Shopping Experience: A contemporary and boutique look shop fit, our unique style allows us to stand out from other charity shops on the high street and our friendly atmosphere encourages customers to return.

Choice: We offer huge choice with constantly changing ranges that encourage frequent visits to discover new items. Our customers love the thrill of discovering the unexpected.

Sustainability: We offer genuine sustainability, not just in extending the life of products we sell but in our shop fits re-purposing wood to create our eye catching displays, the social benefits of the jobs and volunteering opportunities we create, the high streets we support, and the funds raised for our life enhancing services.

We believe the combination of an extraordinary shopping experience, choice, and sustainability our shops provide makes us increasingly relevant and resilient.

We continued to make best use of the Kickstart scheme until its closure at the end of March 2022 and have rebuilt our volunteer base. However, as with most in the sector, adequate volunteer numbers remain a challenge.


Reduce, Reuse, Recycle

Corporate partnerships


Fundraisers from Pen Underwriting

Our corporate partners understand the importance of a Special Day experience for seriously ill young adults and their loved ones. Their amazing support and passion for Willow is demonstrated in various ways – employee fundraising and challenges, attending and sponsoring events, philanthropic gifts, choosing us as Charity of the Year, cause related marketing and donations of products and services to assist fundraising or delivering Special Days.

Each partnership is unique. We work closely with our partners to identify how we can bring lasting benefits to them, their staff and clients as well as raise much needed funds for the charity and enjoy successful productive relationships.

"We have worked with Willow for three years and it has simply been an amazing charity to work with. The team has given up time to speak to our colleagues on a number of occasions and are so passionate about the people they support – often in the darkest of times.

"The fundraising activities we've undertaken for Willow range from virtual quizzes, and Bingo, to step challenges. Pen's people have become passionate supporters of Willow's cause and have enjoyed getting together to have some competitive fun, all with a common goal to raise funds and awareness for Willow"
David Cawdeary, Senior Marketing Manager at Pen Underwriting, who have raised more than £30,000 for Willow.

Trusts and foundations

Over the years, we have been fortunate in establishing ongoing relationships with many trusts and foundations. This support has been particularly valued and appreciated during recent years due to the difficult circumstances created by the coronavirus pandemic. Our services are offered UK-wide across all life-threatening and life-limiting conditions. Willow offers a range of restricted funding opportunities to match preferred giving criteria for individual trusts, though of course we welcome unrestricted grants which allow us the freedom to use these funds where they are most needed.

We approached the Alexion Charitable Foundation in 2021 as part of our new strategic focus to reach young adults living with non-cancer conditions and rare diseases. Alexion is a global biopharmaceutical company which develops medication and therapies to support patients living with rare diseases. There is less support available for young adults with rare diseases, and their journey can feel very lonely and isolated. We were delighted when the Alexion Charitable Foundation committed to support 150 young adults living with rare diseases and rare cancers through their Rare Belonging grant programme in the summer of 2022. The programme has been very successful and well received and we will be seeking further funding to continue this work.

Individual Giving

Individual Giving continued to be an important income area for the charity. The range of ways in which individual supporters donate includes regular and one off donations, those who play our gaming products, raffle and lottery, those who respond to cash appeals and key supporters who make significant philanthropic donations.

We have seen an increase in legacy support in the last year, receiving two legacy gifts. Once again, gifts given in memory continue to represent a significant proportion of our individual giving income. With the number of Special Days we provide for seriously ill young adults receiving palliative care increasing, we aim to introduce further ways for these supporters to remember a loved one.

We are always delighted when beneficiaries go on to fundraise for Willow following their own Special Day, and 2022 saw an increase in the number doing so. This included people setting up regular donations, buying raffle tickets or creating their own fundraiser.

Special thanks goes to the team at Leestock for their continued support. The festival was started in memory of Lee Dunford who had a Special Day in 2005. Proceeds from the event have been donated to Willow every year since.

We would also like to thank Eirra, another Willow beneficiary, who has supported us by performing at numerous events since her Special Day in 2020.

2022 also provided the opportunity to record our Radio 4 Appeal, which enabled us to reach new audiences. Thanks to John Wilson who presented the appeal which aired during October.



John Wilson presenting our Radio 4 Appeal



The wonderful Eirra performing at our Carol Concert



A successful year for our raffle

Income and Expenditure

Income

2022 net income after spending on charitable services and fundraising was a surplus of £129,000.

Total income raised in 2022 was £2,856,000, an increase of £603,000 (27%) on 2021 due to recovery from the financial impact of Covid.

Income from fundraising events increased against the prior year by £368,000 (109%) due to most restrictions being lifted on holding events. Our 2022 London Football Awards was still restricted in size, with some other events needing to be smaller than pre-Covid levels.

Retail shop sales increased by £123,000 (34%) as we were able to be open all year during 2022 whereas in 2021 we were closed in the early part of the year as controlled by a national lockdown.

As more traditional income streams have recovered, our short term funding support from the government has reduced. In 2022 we received £62,000 of government funding through the Kickstart scheme, a reduction of £185,000 (75%) compared to 2021 when we were receiving Kickstart, furlough and retail grant support.

Expenditure

Expenditure on raising funds increased against last year by £265,000 (19%) due to the increased fundraising activity driving the increase in total income and the planned further income increase during 2023.

Expenditure on fundraising events increased by £148,000 (88%) due to the return to a full event schedule for 2022.

Expenditure on running retail shops increased by £28,000 (18%) as all five shops were open for the full year.

Expenditure on our charitable services increased by £231,000 (29%) as our quantity of Special Days was able to recover as Covid-related risks reduced for our beneficiaries. We also maintained our spend on Special Treat packs, expanding this service through our links to UK-wide hospices.

Reserves policy

All charities are required to consider how much they need to hold in reserves. The extent depends upon the scale and nature of the charity's activities.

At Willow we hold reserves to ensure that in the event of a downturn in income or substantial fluctuations in cash flow, the charity can continue to meet its commitments to Special Days and to operate for at least six months. Willow's general fund is currently £1,262,000 which equates to eight months of all costs (excluding direct charitable expenditure covered within the Special Days Reserve). This general fund is therefore in line with the reserves policy.

Willow holds restricted and unrestricted reserve funds. Unrestricted funds are composed of designated funds held for specific purposes and general funds that can be used for any activity in pursuit of the charitable objectives of Willow.

Restricted funds are outstanding balances on funds that have been donated for a specific purpose.

At 31 December 2022 Willow held the following levels of reserves:

Unrestricted funds:	Dec-22	Dec-21
General funds	1,261,612	1,524,992
Designated funds:		
Fixed Assets Reserve	9,942	25,963
Special Days Reserve	570,000	572,024
Investment Reserve	443,605	527,776
Retail Expansion Reserve	290,000	290,000
Restricted funds	164,911	134,101
Total funds	**2,740,070**	**3,074,856**

Our designated reserves at the end of the year totalled £1,314,000 (2021 £1,416,000). They are made up of:

Special Days Reserve - a reserve to cover the costs of fulfilling applications for Special Days which are in progress after allowing for an increase in Special Days back to the level in 2019, prior to Covid reductions; when this level is reached it will be equivalent to approximately half a year's applications. Although there was a large recovery in the quantity of special days during 2022, further growth is still needed during 2023 to get back to 2019 levels

Fixed Assets Reserve - this reserve allows for the depreciation of fixed assets and is equal to the book value of the fixed assets in the charity.

Investment Reserve - represents 20% of our investment portfolio and allows for fluctuations in the market value of investments.

Retail Expansion Reserve – represents the cash required to expand the charity shop retail chain from the current 5 shops to 10 shops which is planned to happen over the next three years.

General Reserve - the balance of unrestricted funds, at year end it represented eight months of total expenditure (excluding direct charitable expenditure covered within the Special Days Reserve).

Investments

Willow's governing document permits the trustees to invest the assets of the charity. These investments give assurance that Willow can continue to effectively operate in the short term in the event of a downturn in income.

The Finance & Audit Committee review investment performance quarterly and meet with the Investment Manager, Quilter Cheviot Investment Management, every 3 months to review investment strategy. Willow keeps investments for the medium to long term and does not set annual targets for performance.

The Manager operates within an agreed asset allocation and guidelines on the size of individual holdings.

As a charity concerned with seriously ill young people, investment in manufacturers of tobacco is expressly prohibited.

Our investments were valued at £2,218,000 on 31 December 2022 (£2,639,000 on 31 December 2021), a decrease of 16%.

Principle risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance.

In managing risk, trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken.

It also means that trustees can make the most of opportunities and develop them with the confidence that any risks will be managed.

How we manage risk

Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur.

The Senior Management team regularly reviews all existing risks on the register as well as emerging risks and actions to mitigate risks.

The key risks are reviewed quarterly by the trustees.

The trustees are satisfied that key risks have been identified; that there is sufficient internal accountability and control and that mitigating actions have been identified for each risk.

Risks rated high in probability of occurrence and impact, as at December 2022

1. Donors are supporting Life Presidents, rather than Willow's cause, and will withdraw support once the Life Presidents are less active.
2. Loss on investments.
3. Failure to achieve budgeted income to support organisational plan.

What we do to manage these risks

1. Fundraising and communications strategy based on building support for our cause.
2. Income diversification and regular CEO review.
3. Funds managed by professional investment managers, working within risk profile specified by the Finance & Audit Committee.
4. Designated reserve held against investment loss.
5. Annual activity plan to manage key proactive fundraising and income pipelines on a monthly basis.
6. Strong reserves position as a safeguard against short-term under-performance.

Independent Auditor’s Report To The Members Of Willow Foundation

Opinion

We have audited the financial statements of Willow Foundation (the ‘charitable company’) for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company’s affairs as at 31 December 2022 and of its 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,
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance withB Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and TrusteeB Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state toB the charitable company's members those matters we are required to state to them in anB auditor's report and for no other purpose. To the fullest extent permitted by law, we do notB accept or assume responsibility to anyone other than the charitable company and the charitableB company's members as a body, for our audit work, for this report, or for the opinions we haveB formed.

Judith Miller (Senior statutory auditor)
11 September 2023
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL
Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Willow Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from:					
Donations and legacies	3	1,083,950	503,903	**1,587,853**	1,487,220
Fundraising events	4	706,820	-	**706,820**	338,665
Retail shop sales	4	483,012	-	**483,012**	359,526
Other trading activities	4	14,467	-	**14,467**	16,334
Investments	5	63,860	-	**63,860**	51,218
Total income		**2,352,109**	**503,903**	**2,856,012**	2,252,963
Expenditure on:					
Raising funds	6	1,687,295	-	**1,687,295**	1,421,616
Charitable activities: Special Days	6	431,354	420,921	**852,275**	626,706
Charitable activities: Treat Packs	6	134,778	52,172	**186,950**	181,358
Total expenditure		**2,253,427**	**473,093**	**2,726,520**	2,229,680
Net income / (expenditure) before net gains on investments		98,682	30,810	**129,492**	23,283
Net gains on investments	13	(464,278)	**-**	**(464,278)**	260,846
Net income / (expenditure) before other recognised gains and losses		(365,596)	30,810	**(334,786)**	284,129
Gains / (losses) on sale of fixed assets		-	-	**-**	260
Net movement in funds		(365,596)	30,810	**(334,786)**	284,389
Reconciliation of funds:					
Total funds brought forward		2,940,755	134,101	**3,074,856**	2,790,467
Total funds carried forward		2,575,159	164,911	**2,740,070**	3,074,856

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Willow Foundation

Balance sheet

Company no. 5207070

As at 31 December 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	12		**9,942**		25,963
Investments	13		**2,218,026**		2,638,878
			2,227,968		2,664,841
Current assets:					
Stock	14	**4,986**		5,691	
Debtors	15	**306,909**		330,996	
Cash at bank and in hand		**459,053**		314,268	
		770,948		650,955	
Creditors: amounts falling due within one year	16	**258,846**		240,940	
Net current assets			**512,102**		410,015
Total assets less current liabilities			**2,740,070**		3,074,856
Total net assets			**2,740,070**		3,074,856
Funds:	20a				
Restricted income funds			**164,911**		134,101
Unrestricted income funds:					
Designated funds		**1,313,547**		1,415,763	
General funds		**1,261,612**		1,524,992	
Total unrestricted funds			**2,575,159**		2,940,755
Total charity funds			**2,740,070**		3,074,856

Approved by the trustees on 18 August 2023 and signed on their behalf by

Richard King, Chair of Trustees

Willow Foundation

Statement of cash flows

For the year ended 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	21		**124,351**		(470,154)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**63,860**		51,218	
Proceeds from the sale of fixed assets		**-**		260	
Purchase of fixed assets		**-**		(6,085)	
Proceeds from sale of investments		**596,335**		326,395	
Purchase of investments		**(590,167)**		(443,278)	
(Increase)/decrease in cash in investment portfolio		**(49,594)**		81,185	
Net cash provided by investing activities			**20,434**		9,695
Change in cash and cash equivalents in the year			**144,785**		(460,459)
Cash and cash equivalents at the beginning of the year			**314,268**		774,727
Cash and cash equivalents at the end of the year			**459,053**		314,268

1 Accounting policies

a) Statutory information

Willow Foundation is a charitable company limited by guarantee and is incorporated in the UK. The registered office address is Gate House, Fretherne Rd, Welwyn Garden City AL8 6NS.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on the basis that Willow Foundation has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. The going concern basis is appropriate because:

Charity shop sales are high and the charity has expanded in 2023 opening 2 new shops in the early part of the year. Fundraising income is budgeted to increase during 2023;

A significant proportion of expenditure is discretionary;

The unrestricted general reserve remains above target level;

The charity has a high level of valuable assets including its investment portfolio. Investments suffered a large decrease in value early during 2023 but there has now been some recovery and the charity has not yet needed to draw down any funds during 2023;

The cash position is positive.

Management have undertaken detailed forecasting and sensitivity analysis to December 2023 and the trustees have considered uncertainties and liquidity risks. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor’s intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

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

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so please refer to the trustees' annual report for more information about their contribution.

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

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes without any more specific purpose being laid down by the donor.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities within the charitable company and its subsidiaries with a fundraising purpose. It includes allocated support costs.

Expenditure on charitable activities includes the costs of delivering and promoting services undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of governance and support, including staff costs within these functions, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity and is reviewed each year.

Charitable activity - provision of Special Days	43%
Charitable activity - provision of Treat Packs	8%
Cost of raising funds	49%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1 Accounting policies (continued)

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Land and buildings	50 years
Leasehold improvements	term of lease
Fixtures and fittings	4 years
Furniture, equipment and software	3 years

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Stocks

Purchased stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are not included in the financial statements until they are sold or distributed.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held by our investment managers for re-investment, which are included in the value of investments.

q) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. With the exception of the listed investments described above, the charity only has financial liabilities of a kind that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their settlement value.

r) Basic financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s) Pensions

The charity's policy is to operate a group personal pension scheme compliant with auto-enrolment requirements and to contribute a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice as long as the employee matches the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2021 Total £
Income from:			
Donations and legacies	1,144,373	342,847	1,487,220
Fundraising events	338,665	-	338,665
Retail shop sales	359,526	-	359,526
Other trading activities	16,334	-	16,334
Investments	51,218	-	51,218
Total income	1,910,116	342,847	2,252,963
Expenditure on:			
Raising funds	1,419,816	1,800	1,421,616
Charitable activities: Special Days	292,147	334,559	626,706
Charitable activities: Treat Packs	25,821	155,537	181,358
Total expenditure	1,737,784	491,896	2,229,680
Net income / expenditure before gains / (losses) on investments	172,332	(149,049)	23,283
Net gains on investments	260,846	-	260,846
Net income / (expenditure) before other recognised gains and losses	433,178	(149,049)	284,129
Gains on sale of fixed assets	260	-	260
Net movement in funds	433,438	(149,049)	284,389
Reconciliation of funds:			
Total funds brought forward	2,507,317	283,150	2,790,467
Total funds carried forward	2,940,755	134,101	3,074,856

3 Income from donations and legacies

	Unrestricted £	Restricted £	**2022 Total £**	Unrestricted £	Restricted £	2021 Total £
Gifts	1,010,311	418,852	**1,429,163**	894,725	277,850	1,172,575
Government funding	61,578	-	**61,578**	246,385	-	246,385
Legacies	12,061	-	**12,061**	3,263	-	3,263
Donated services	-	85,051	**85,051**	-	64,997	64,997
	1,083,950	503,903	**1,587,853**	1,144,373	342,847	1,487,220

Government funding consisted of £63,705 (2021: £67,140) received via the Kickstart Scheme, £1,981 refund to an Access to Work grant (2021: £8,319 received), £nil (2021: £90,407) grant funding received from the Coronavirus Job Retention Scheme and £nil (2021: £80,519) grant funding received from the Retail, Hospitality and Leisure Grant Fund.

The charity has been notified of a legacy with an estimated value of £275,000. This legacy does not meet the income recognition criteria disclosed in note 1 and has therefore been treated as a contingent asset.

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Fundraising events	706,820	-	**706,820**	338,665	-	338,665
Retail shops	483,012	-	**483,012**	359,526	-	359,526
Sale of merchandise	3,955	-	**3,955**	3,219	-	3,219
Raffles and other trading	10,512	-	**10,512**	13,115	-	13,115
	1,204,299	-	**1,204,299**	714,525	-	714,525

5 Income from investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Investment portfolio	62,906	-	**62,906**	51,142	-	51,142
Bank interest	954	-	**954**	76	-	76
	63,860	-	**63,860**	51,218	-	51,218

6a Analysis of expenditure (current year)

		Charitable activities					
	Cost of raising funds £	Charitable activities: Special Days £	Charitable activities: Treat Packs £	Governance costs £	Support costs £	**2022 Total £**	2021 Total £
Staff costs (Note 8)	910,225	384,746	55,293	8,999	27,347	**1,386,610**	1,264,174
Direct beneficiary expenditure	-	347,684	109,360	-	-	**457,044**	352,121
Costs of fundraising	116,873	-	-	-	-	**116,873**	44,809
Fundraising events	316,641	-	-	-	-	**316,641**	169,409
Merchandising and raffles	5,922	-	-	-	-	**5,922**	3,143
Running retail shops	187,247	-	-	-	-	**187,247**	158,552
Investment management	13,818	-	-	-	-	**13,818**	15,129
Audit and accountancy	-	-	-	13,590	-	**13,590**	12,240
Other governance costs	-	-	-	1,447	-	**1,447**	421
Communications	-	-	-	-	59,834	**59,834**	26,284
Premises, facilities & IT	-	-	-	-	149,153	**149,153**	160,907
General management & HR	-	-	-	-	12,592	**12,592**	15,814
Financial administration	-	-	-	-	5,749	**5,749**	6,677
	1,550,726	732,430	164,653	24,036	254,675	**2,726,520**	2,229,680
Support costs	124,791	109,510	20,374	-	(254,675)	**-**	-
Governance costs	11,778	10,335	1,923	(24,036)	-	**-**	-
Total expenditure 2022	**1,687,295**	**852,275**	**186,950**	**-**	**-**	**2,726,520**	
Total expenditure 2021	1,421,616	626,706	181,358	-	-		2,229,680

6b Analysis of expenditure (prior year)

		Charitable activities				
	Cost of raising funds £	Charitable activities: Special Days £	Charitable activities: Treat Packs £	Governance costs £	Support costs £	**2021 Total £**
Staff costs (Note 8)	678,834	180,860	30,654	-	373,826	**1,264,174**
Direct beneficiary expenditure	-	237,187	114,934	-	-	**352,121**
Costs of fundraising	44,809	-	-	-	-	**44,809**
Fundraising events	169,409	-	-	-	-	**169,409**
Merchandising and raffles	3,143	-	-	-	-	**3,143**
Running retail shops	158,552	-	-	-	-	**158,552**
Investment management	15,129	-	-	-	-	**15,129**
Audit and accountancy	-	-	-	12,240	-	**12,240**
Other governance costs	-	-	-	421	-	**421**
Communications	-	-	-	-	26,284	**26,284**
Premises, facilities & IT	-	-	-	-	160,907	**160,907**
General management & HR	-	-	-	-	15,814	**15,814**
Financial administration	-	-	-	-	6,677	**6,677**
	1,069,876	418,047	145,588	12,661	583,508	2,229,680
Support costs	344,270	204,228	35,010	-	(583,508)	**-**
Governance costs	7,470	4,431	760	(12,661)	-	**-**
Total expenditure 2021	**1,421,616**	**626,706**	**181,358**	**-**	**-**	**2,229,680**

7 Net incoming resources for the year

This is stated after charging / crediting:

	2022 £	2021 £
Depreciation	**16,021**	17,064
Profit / (loss) on disposal of fixed assets	**-**	260
Operating lease rentals: Property	**157,032**	143,973
Operating lease rentals: Vehicles	**3,564**	3,564
Auditors' remuneration (excluding VAT):		
Audit	**11,300**	10,200
Other services	**1,155**	1,050

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	**1,159,713**	1,053,076
Redundancy and termination costs	**-**	15,688
Social security costs	**100,625**	82,472
Employer's contribution to defined contribution pension schemes	**122,085**	107,774
Other forms of employee benefits	**4,187**	5,164
	1,386,610	1,264,174

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2022 No.	2021 No.
£70,000 - £79,999	**-**	1
£90,000 - £99,999	**1**	-

The total employee benefits including NI and pension contributions of the key management personnel were £238,371 between 3 senior staff (2021: £188,755 between 3 senior staff).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2021 £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses representing the payment or reimbursement of travel and subsistence costs are potentially payable but none were claimed in 2022 (2021: £nil).

9 Staff numbers

The average number of employees during the year was as follows:

	2022 No.	2021 No.
Full-time equivalent staff numbers		
Raising funds - voluntary income	**6.6**	6.7
Raising funds - events sales	**3.1**	3.3
Raising funds - retail shop sales	**14.7**	13.8
Charitable activity: Special Days	**5.9**	5.9
Charitable activity: Treat Packs	**1.6**	1.0
Support	**4.9**	5.5
Governance	**1.0**	1.0
	37.8	37.2
Headcount	**49**	49
Full-time staff	**14**	13
Part-time staff	**35**	36
	49	49

10 Related party transactions

There are no related party transactions to disclose for this financial year. In 2021 Willow paid CMS Cameron McKenna Nabarro Olswang LLP £4,558 for legal services (Glyn Taylor is a trustee of Willow and a partner at CMS).

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

No UK corporation tax was payable in 2022 (2021: £nil).

12 Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Equipment, furniture & software £	**Total £**
Cost				
At the start of the year	170,955	38,446	174,919	**384,320**
Additions in year	-	-	-	**-**
Disposals in year	-	-	(7,412)	**(7,412)**
At the end of the year	170,955	38,446	167,507	**376,908**
Depreciation				
At the start of the year	164,041	30,827	163,489	**358,357**
Charge for the year	2,736	4,082	9,203	**16,021**
Eliminated on disposal	-	-	(7,412)	**(7,412)**
At the end of the year	166,777	34,909	165,280	**366,966**
Net book value				
At the end of the year	4,178	3,537	2,227	**9,942**
At the start of the year	6,914	7,619	11,430	25,963

All of the above assets are used for charitable purposes.

13 Listed investments

	2022 £	2021 £
Fair value at the start of the year	**2,606,657**	2,228,928
Additions at cost	**590,167**	443,278
Disposal proceeds	**(596,335)**	(326,395)
Net gain on change in fair value	**(464,278)**	260,846
Fair value at the end of the year	**2,136,211**	2,606,657
Cash held by investment broker pending reinvestment	**81,815**	32,221
Fair value at the end of the year including cash	**2,218,026**	2,638,878

Investments comprise:

	2022 £	2021 £
Equity shares listed in the UK	**549,179**	540,476
Equity shares listed in mainland Europe	**103,770**	109,387
Equity shares listed in the USA	**447,698**	800,672
Equity shares listed in Japan & Asia	**152,120**	178,324
Equity shares Global	**142,940**	105,500
UK bonds	**219,410**	208,332
Alternative Investments	**373,608**	503,100
Global bonds	**104,286**	118,925
Emerging markets	**43,200**	41,941
Cash	**81,815**	32,221
	2,218,026	2,638,878

14 Stock

	2022 £	2021 £
Finished goods	**4,986**	5,691
	4,986	5,691

15 Debtors

	2022 £	2021 £
Trade debtors	**37,672**	70,794
Other debtors	**9,950**	11,014
Prepayments	**202,995**	144,299
Accrued income	**56,292**	104,889
	306,909	330,996

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	**86,996**	76,342
Taxation and social security	**22,140**	15,112
Other creditors	**14,197**	15,427
Accruals	**75,010**	46,022
Deferred income	**60,503**	88,037
	258,846	240,940

17 Deferred income

Deferred income comprises proceeds from tickets sold for fundraising events due to take place the following year.

	2022 £	2021 £
Balance at the beginning of the year	**88,037**	69,727
Amount released to income in the year	**(69,188)**	(5,100)
Amount deferred in the year	**41,654**	23,410
Balance at the end of the year	**60,503**	88,037

18 Pension scheme

Willow Foundation operates a group personal pension scheme compliant with auto-enrolment requirements, provided by Royal London Mutual Insurance Society Ltd. The charity contributes a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice. The employee must at least match the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

The pension cost of these schemes during the year was £122,085 (2021: £107,774). At 31 December 2022 £11,181 in contributions was outstanding (2021: £10,195).

19a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	9,942	-	9,942
Investments	914,421	1,303,605	-	2,218,026
Net current assets	347,191	-	164,911	512,102
Net assets at 31 December 2022	**1,261,612**	**1,313,547**	**164,911**	**2,740,070**

19b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	25,963	-	25,963
Investments	1,249,078	1,389,800	-	2,638,878
Net current assets	275,914	-	134,101	410,015
Net assets at 31 December 2021	1,524,992	1,415,763	134,101	3,074,856

20a Movements in funds (current year)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Restricted funds:					
Specific beneficiaries	-	85,051	(85,051)	-	**-**
Special Days - specific illness	779	650	(650)	-	**779**
Special Days - palliative	-	78,000	(78,000)	-	**-**
Special Days - specific areas	15,600	-	(8,745)	-	**6,855**
Treat Packs - specific areas	492	-	(492)	-	**-**
Treat Packs - hospice users	-	6,000	(6,000)	-	**-**
Charitable Service - specific illness	5,355	25,000	(30,355)	-	**-**
Charitable Service - rare diseases	-	113,777	(46,350)		**67,427**
Charitable Service - palliative	-	50,000	-	-	**50,000**
Charitable Service - palliative parents	75,465	1,000	(76,465)	-	**-**
Charitable Service - specific areas	34,790	100,425	(95,365)	-	**39,850**
Charitable service- specific age	-	33,000	(33,000)	-	**-**
Charitable Service - combination of specific illness and / or areas and / or age	1,620	11,000	(12,620)	-	**-**
Total restricted funds	134,101	503,903	(473,093)	-	**164,911**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	25,963	-	-	(16,021)	**9,942**
Special Days Reserve	572,024	-	-	(2,024)	**570,000**
Investment Reserve	527,776	-	-	(84,171)	**443,605**
Retail Expansion Reserve	290,000	-	-	-	**290,000**
Total designated funds	1,415,763	-	-	(102,216)	**1,313,547**
General funds	1,524,992	1,887,831	(2,253,427)	102,216	**1,261,612**
Total unrestricted funds	2,940,755	1,887,831	(2,253,427)	-	**2,575,159**
Total funds	3,074,856	2,391,734	(2,726,520)	-	**2,740,070**

The narrative to explain the purpose of each fund is given at the foot of the note below.

20b Movements in funds (prior year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Specific beneficiaries	-	67,997	(67,997)	-	**-**
Special Days - specific illness	4,654	-	(3,875)	-	**779**
Special Days - specific areas	49,885	1,000	(35,285)	-	**15,600**
Special Days - specific age	43,818	-	(43,818)	-	**-**
Special Days - combination of specific illness and/or area and/or age	1,125	2,000	(3,125)	-	**-**
Special Days Out & Days at Home for those whose Special Days were put on hold due to Covid	70,000	-	(70,000)	-	**-**
Treat Packs - specific areas	2,068	-	(1,576)	-	**492**
Treat Packs - combination of specific illness and / or area and /or age	1,898	-	(1,898)	-	**-**
Treat Packs - non-specific	-	1,000	(1,000)	-	**-**
Charitable Service - specific illness	-	36,350	(30,995)	-	**5,355**
Charitable Service - specific areas	10,022	131,500	(106,732)	-	**34,790**
Charitable Service - combination of	-	5,000	(3,380)	-	**1,620**
Charitable service - palliative parents	-	95,000	(19,535)	-	**75,465**
Charitable service - non-specific	95,000	3,000	(98,000)	-	**-**
Development of Willow website	4,680	-	(4,680)	-	**-**
Total restricted funds	283,150	342,847	(491,896)	-	**134,101**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	36,942	-	-	(10,979)	**25,963**
Special Days Reserve	213,124	-	-	358,900	**572,024**
Investment Reserve	468,467	-	-	59,309	**527,776**
Retail Expansion Reserve	-	-	-	290,000	**290,000**
Total designated funds	718,533	-	-	697,230	**1,415,763**
General funds	1,788,784	2,171,222	(1,737,784)	(697,230)	**1,524,992**
Total unrestricted funds	2,507,317	2,171,222	(1,737,784)	-	**2,940,755**
Total funds	2,790,467	2,514,069	(2,229,680)	-	**3,074,856**

Purposes of restricted funds

The 'Specific Beneficiaries' restricted fund relates to discounts and gifts in kind which are given for a specific beneficiary's Special Day or Treat Pack or else grants made specifically for certain beneficiaries.

The next Special Days, Treat Packs and Charitable Service restricted funds listed are all funds given for charitable activities of a particular kind. Some donors restricted the activity to certain types of Special Day only, to Special Days only and some to Treat Packs only whereas some restricted it to any service provided to the beneficiaries. Within these categories, donors have chosen to restrict to benefit people from a particular geographical area, a particular age group or suffering a particular type of illness - or some combination of these factors.

The development of Willow website restricted fund was to assist the charity in producing a new updated website and this fund was fully utilised during 2021.

Purposes of designated funds

The Fixed Assets Reserve represents the net book value of the leasehold improvements in the building occupied by the charity or its subsidiaries and the furniture, software and equipment owned by the group. Funds tied up in these assets are not available for spending on special days.

The Special Days Reserve represents the costs to fulfil applications in progress allowing for an increase in Special Days back to the level in 2019 prior to Covid reductions; when this level is reached it will be equivalent to approximately half a year's applications. Although there was a large recovery in the quantity of special days during 2022, further growth is still needed during 2023 to get back to 2019 levels.

The Investment Reserve is an ongoing fund to protect the operations of the charity from downward fluctuations in investment markets. Net investment gains are added to this fund in subsequent years subject to a maximum of 20% of the value of the investment portfolio.

The Retail Expansion Reserve represents the cash required to expand the charity shop retail chain from the current 5 shops to 10 shops which the trustees intend will happen over the next 2 years.

Transfers have been made between the general fund and designated funds in order to achieve the required levels in the designated funds.

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

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	**(334,786)**	284,389
Depreciation charges	**16,021**	17,064
(Gains)/losses on investments	**464,278**	(260,846)
Dividends, interest and rent from investments	**(63,860)**	(51,218)
(Profit)/loss on the disposal of fixed assets	**-**	(260)
(Increase)/decrease in stocks	**705**	1,381
(Increase)/decrease in debtors	**24,087**	(11,742)
Increase/(decrease) in creditors	**17,906**	(448,922)
Net cash provided by / (used in) operating activities	**124,351**	(470,154)

22 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Vehicles		Property	
	2022 £	2021 £	2022 £	2021 £
Less than one year	**2,376**	3,564	**160,569**	152,614
One to five years	**-**	2,376	**390,616**	391,223
Over five years	**-**	-	**253,717**	311,673
	2,376	5,940	**804,902**	855,510

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Governance

Legal Structure and purpose

Willow is a charitable company limited by guarantee (registered number 5207070) and a registered charity in England and Wales (charity number 1106746) and Scotland (charity number SC045811).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 9 August 2004 and amended on 28 February 2013 and 12 January 2015. On 1 January 2005, the assets and activities of the Willow Foundation, a charity established in 1999 and constituted by trust deed, were transferred to this charity. The charity currently has one wholly-owned subsidiary trading company.

The object of Willow is to enhance the quality of life for seriously ill or handicapped young people aged 16 to 40 years old throughout the UK.

Charity Governance Code

The trustees are committed to good governance and follow the Charity Governance Code to develop and ensure Willow follows high standards of governance. Willow has a Governance Committee in place who are charged with ensuring high standards of governance. The Committee meets twice a year and reviews terms of office, pay proposals, Chair and Trustee succession planning, policies and the Governance Manual.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning.

Subsidiary undertaking

Willow owns 100% of the shares in Willow Events Limited, a company established in 2005 (company no. 5352056) to undertake commercial activity of benefit to the charity.Willow Events Limited was dormant during 2022 and, should it start trading again then any future profits would be donated to the charity.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. Trustees are the directors of the company and serve for renewable terms of three years.

The Board comprised nine trustees as at 31 December 2022. Trustees have a wide range of skills and experience appropriate to the governance of the activities of Willow.

The Board meets at least four times each year to regularly review and direct Willow's strategy, budget and performance. The day-to-day management of the charity is currently delegated by the Chairman to the Executive Team. Specific responsibilities are also delegated to various committees described below.

From time to time the board reviews the skills of the trustees against the skills required to direct the affairs of the charity. Where skill gaps are identified, succession and recruitment plans are developed and implemented. The Board of Trustees appoints all new trustees and committee members through a variety of recruitment methods including formal search and word of mouth.

An induction programme is offered to all new trustees and further updates and training are provided as required. This includes meetings with the Founders of Willow Bob and Megs Wilson, the Chairman, members of the Executive Team and where possible a Special Day beneficiary.

The Committees

All Willow Committees meet at least two times a year and minutes of their meetings are presented to the Board of Trustees by the Chair of each Committee.

The Finance & Audit Committee reviews the charity's annual financial statements, audit matters, investment performance and internal financial controls.

The Retail Board advises on the charity's shops and the Governance Committee advises on effective governance and Trustee Board membership.

Fundraising

Willow uses a diverse range of fundraising activities to raise vital funds towards the delivery of our service. Our Board of Trustees and Leadership Team are committed to building trust with our supporters.

We are registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. We did not use any professional fundraisers or commercial participators during 2022. We monitor fundraisers and volunteers in all aspects of their fundraising and in line with the Code of Fundraising Practice and we provide materials and support to fundraisers and review and provide feedback on performance.

We endeavour to adhere to all codes and best practices set out by the codes and the General Data Protection Regulations.

Our quality assurance also includes regular reviews of complaints and other feedback, as well as regular audits and mystery shopping. In 2022 we recorded and responded to four complaints.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake and have a Safeguarding Children and Vulnerable Adults policy in place which has been approved by the Board of Trustees.

Going Concern Statement

The Trustees have reviewed the accounts as well as the charity activities, budgets and plans for 2024 and 2025, reserves positions up to the date of signing off these accounts and the group risk register.

Covid continued to create difficulties during 2022 and the economic situation in 2023 is also creating challenges. Despite this, the Trustees have reasonable expectation that Willow will remain a going concern for the foreseeable future which is determined to be at least 12 months from the signature date of these accounts.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charity was put to the Board of Trustees on 18 August 2023.

Statement of responsibilities of the trustees

The trustees (who are also directors of Willow for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2022 was 9 (2021: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity.Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.
Approved by the Board of Trustees on 18 August 2023 and signed on its behalf by:

Richard King
Chairman

Charity information

Life Presidents

Megs Wilson
Bob Wilson OBE

Trustees

Richard King – Chair
Nicholas Aldridge
Stewart Bennett
Elena Ciallie
Rachel Jones
Paul Phedon – appointed 3 February 2023
Martin Ryan
Vanessa Steel
Glyn Taylor
David Waddington CBE

Ambassadors

Natasha Kaplinsky OBE
Pat Jennings CBE
Mary Nightingale
Theo Walcott
Jim Rosenthal
Linda Lusardi
David Seaman MBE
Sam Kane
Lee Dixon
Gary Mabbutt MBE
Simon McCoy
Ian Poulter
Gary Lewin
Ian Wright OBE
Frankie Seaman (formerly Poultney)
Martin Chivers
Ossie Ardiles
Katie Swan
Alfie Boe OBE
Leah Williamson OBE
Mica Paris MBE

Senior Management

Jonathan Aves – Chief Executive
Claire Kermode – Company Secretary, Finance, Resources and Retail Director
Dominic Heath – Special Days Director
Jo Tredgett - HR Manager

Principal address and registered office

3rd Floor, Gate House, Fretherne RoadWelwyn Garden City, Hertfordshire AL8 6NS
Telephone: 01707 259777 Website: willowfoundation.org.uk

Auditors

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL

Solicitors

Pellys Solicitors Ltd, 18 The Causeway, Bishops Stortford CM23 2EJ

Principal banker

NatWest Bank, 2nd floor Argyll House, 246 Regent Street, London W1P 3PB

Investment managers

Quilter Cheviot Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4AB.

WILLOW FOUNDATION

England & Wales - Charity number 1106746

Accounts

WILLOW ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

Willow Foundation is a registered charity no. 1106746
and a company limited by guarantee no. 5207070.



The trustees present their report and the audited financial statements for the year ended 31 December 2021. Reference and administrative information set out on p57 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

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Letter from the Chair

Following one of the most challenging years in Willow's history, at the start of 2021 we were looking forward to returning to some semblance of normality. However, when new lockdown restrictions were introduced in the first weeks of January, it was clear that we would have to continue to adapt to new challenges.

I'm glad to say that thanks to our supporters, team and volunteers, Willow didn't just react, but innovated to deliver a new improved and more flexible service. In addition to our traditional Special Days and Special Breaks, we now also deliver Special Days at Home and Special Treat packages, making a difference for even more beneficiaries.

Our beneficiaries have always been at the heart of everything we do. We knew that through extended periods of lockdown they would need us more than ever. Many were forced to shield, endure difficult periods of isolation, with many of their medical services severely interrupted.

Throughout 2021 we never lost our focus on helping seriously ill young adults make precious memories in the toughest times. I'm proud to say that everybody connected with Willow rose to the challenge: from our staff who developed new forms of remote and hybrid working, to our trustees who steered a steady course through challenging times, to our loyal supporters. I'd like to thank all of you. We are extremely grateful for your ongoing support which will enable Willow to continue to make a difference for our beneficiaries in the coming years.

We have all learned a lot from the experience of the past years – chiefly that we should continue to think outside the box in terms of how we can support our beneficiaries. As the world continues to recover from the pandemic, Willow is not going back to business as usual. We are determined to continue innovating and developing our service so that we can deliver many more magic moments and precious memories in the years ahead.

Richard King
Chair of Trustees

About Willow

Willow is the only national charity working with seriously ill young adults aged 16 to 40 to fulfil uplifting and unforgettable Special Days and Special Treats.

Since 1999 Willow has supported more than 18,000 young adults living with life-threatening conditions such as cancer, motor neurone disease, cystic fibrosis, muscular dystrophy and Huntington's disease, along with many other rare conditions.





Willow was founded in 1999 by former Arsenal goalkeeper and TV presenter, Bob Wilson and his wife Megs, as a lasting memorial to their daughter Anna, who died of cancer aged 31. The inspiration for Willow came from Anna's determination to live every moment to the full, despite the most difficult circumstances.

"Anna's love of life and her own 'special days' taught us that quality of life and quality of time is so very important."

Bob & Megs Wilson, Willow Life Presidents

Our strategy in 2021

In 2021 Willow remained focused on our three strategic pillars.

Growth

To build and diversify Willow's income streams, focusing on long-term sustainability and to expand and grow our retail revenue.

Covid had a huge impact on our fundraising plans in 2021. In response to this we adapted major fundraising events such as the London Football Awards and the London Marathon to work in both virtual and hybrid formats. We will incorporate the most successful innovations in our events going forward.

We remained focused on growing our supporter base through new fundraising campaigns, with a view to increasing the number of regular donors. We also worked to engage more beneficiaries to take part in Willow fundraising events and activities.

Our retail shops performed strongly when they reopened after lockdown, and this gives us a firm foundation for our expansion plans in the coming years.

Impact

To support over 1,000 seriously ill young adults each year and ensure that Willow's service remains available across the UK to all with eligible conditions.

In 2021, new lockdowns brought fresh challenges to our service. However, we continued to provide a high-quality service to our beneficiaries using our new range of Covid-adapted options, including Special Treats, which we adapted from the Positivity Packs which had been such a key innovation in 2020. We also prioritised beneficiaries who required urgent support. Thanks to these adaptations to our service, Willow supported 1,028 seriously ill young adults and their families. For full details of how we developed our service in 2021 see p8.

Communicating with all our supporters is key to building long-term and mutually beneficial relationships. We ensured that beneficiaries, supporters and all key stakeholders remained engaged with changes to our service and the importance of their support.

Sustainability

To ensure Willow operates with financial sustainability and maximises its resources in an efficient and cost-effective way.

Because of Covid, Willow needed to make changes to its strategy with a particular focus on the short and medium term to ensure it was in the best possible position to navigate the pandemic. Our finances were continually monitored by the Senior Management Team who reported back to the trustees.

We continued to evaluate income streams and activities throughout 2021, ensuring we focused resources on activities with a strong return on investment.

How we adapted our service in response to the challenges of Covid

Having learned from the experience of lockdown in 2020, we were determined to support our beneficiaries when they needed our service more than ever. Many of them were forced to shield, experiencing extended periods of isolation. Furthermore, many of their medical services were severely interrupted. In this environment a Special Day or Special Treat was even more important.

To ensure we continued to support seriously ill young adults, in February 2021 we launched a new and improved Willow service, comprising four options for beneficiaries:

- Special Treats: luxury gift boxes sent directly to the beneficiary.
- Special Days at Home: experiences within the beneficiary's own home/garden or treatment centre (such as hospice or hospital). This includes virtual options as well.
- Special Days Out: day trips and overnight stays across the UK including travel and subsistence. Examples include theme parks, theatre trips and spa days.
- Special Breaks: overnight stays and longer breaks (typically 3-4 nights and usually self-catering)

This meant that we could work more flexibly than ever, and support seriously ill young adults regardless of lockdown rules. Each service has a different price point, allowing us flexibility to plan and deliver services according to need. They also enabled us to support those with very complex medical needs and help us to work around the ongoing obstacles presented by the pandemic.

We focused specifically on those in palliative care or with advanced degenerative conditions to prioritise the available service budget for the year. We were keen to honour our commitment to existing beneficiaries whilst reaching new ones at the same time.

In the spring of 2021 we introduced a new online application form. This is not only much easier for beneficiaries and health professionals to use, it also gives Willow's services team a quick overview of those applications that need to be prioritised because of medical urgency.

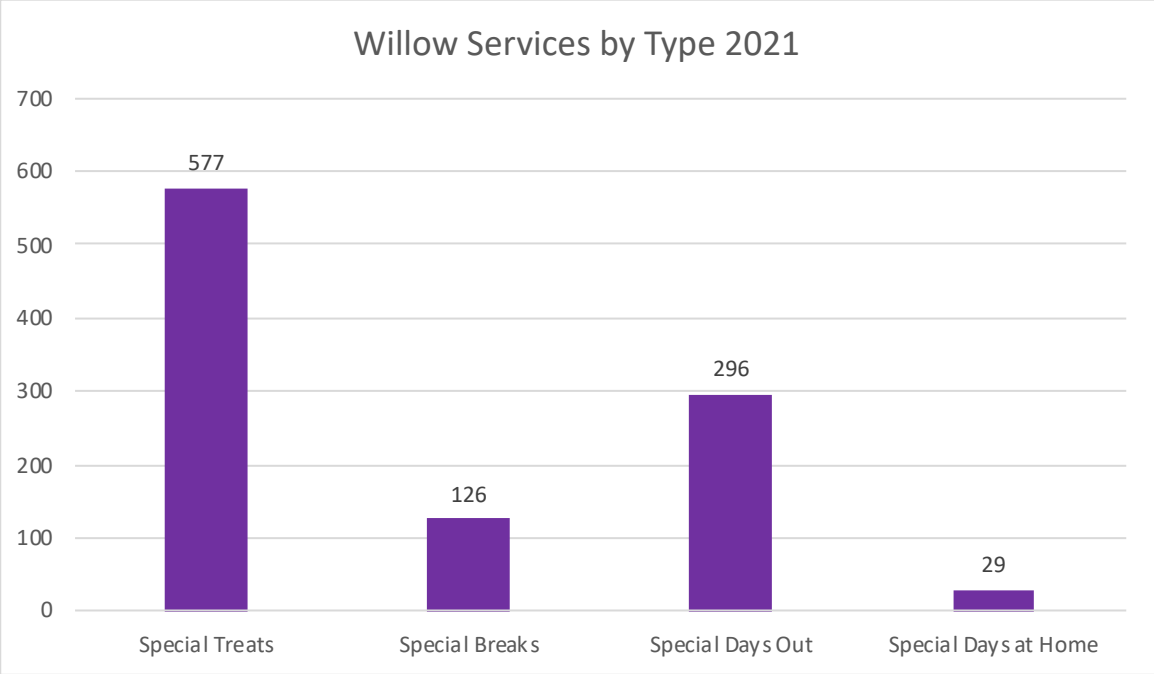
In July 2021, Willow opened its doors to new Special Day applications for the first time in 15 months. We prioritised attracting applications from 16 to 40 year olds living with an incurable cancer diagnosis as well as young adults living with advanced degenerative conditions. For the latter group in particular, there is very little support available that focuses on quality of life.

To increase applications from young adults living with an incurable diagnosis, our medical advisors connected with Hospice UK and Together for Short Lives to raise awareness of Willow's service through their networks across the UK.

During 2021 Willow supported 1,028 seriously ill young adults and their families. While cancer patients remain the largest patient group (85% in 2021) supported by Willow, we have seen a greater proportion of young adults living with degenerative, genetic and metabolic conditions represented in our beneficiary group.

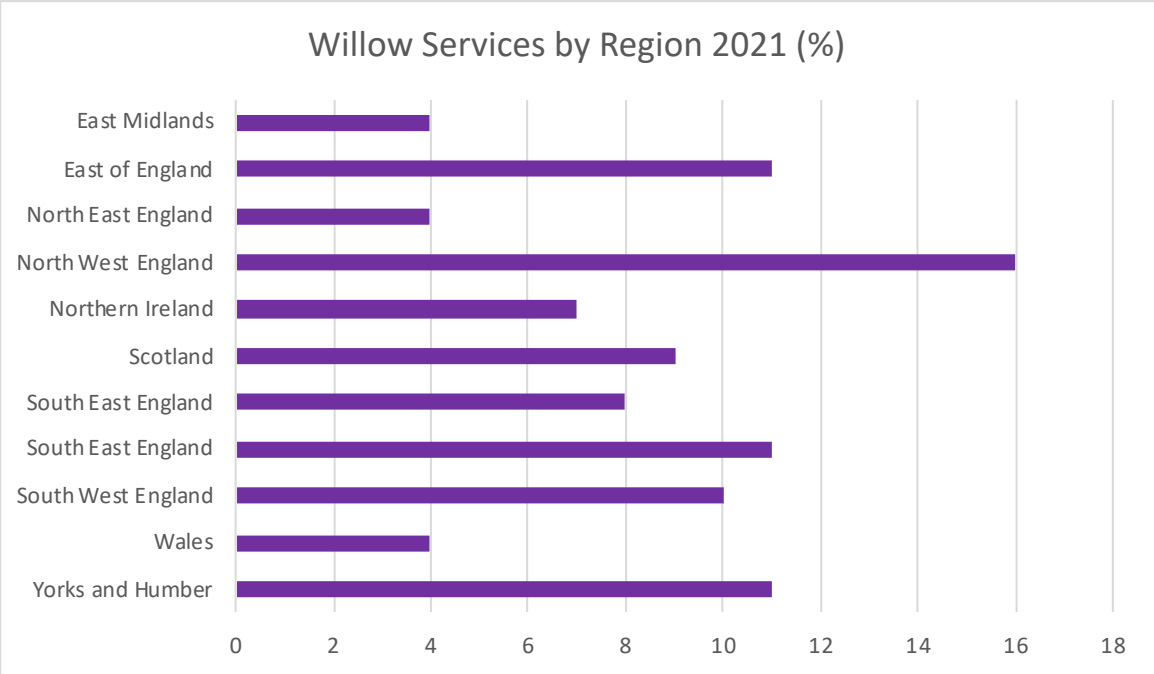
Achievements and performance

In 2021 Willow supported over 1,000 seriously ill 16-40-year-olds.

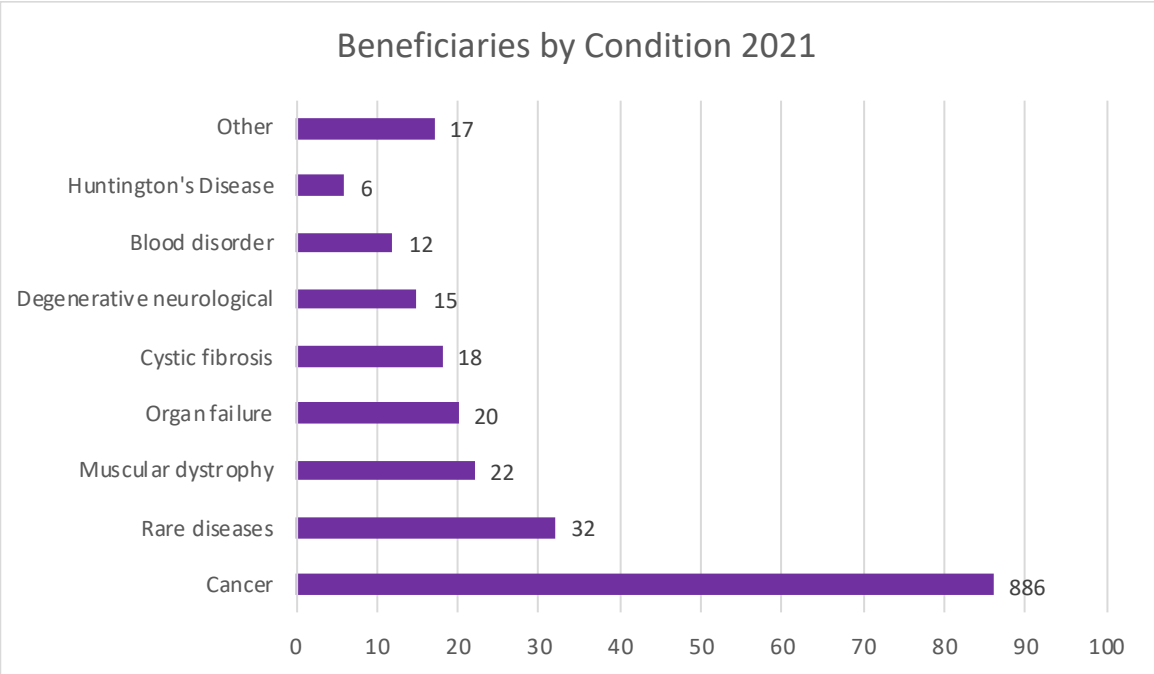


We supported seriously ill young adults across the UK. The number of applications from different regions is largely determined by the location of medical professionals and organisations that are aware of Willow. We generally aim to be within 2% of the population ratio per region.

This is true in all cases with the exception of London, where our ratio is 9% less than would be expected from the size of population. We have increased our promotion with London-based medical organisations and should see this improve in 2022.



We supported young adults living with a range of conditions.



Our impact

We send surveys to all our beneficiaries. As of 1 March 2022:



Our beneficiaries tell their stories

Liam's Special Treat Story



Liam is 24 and lives in Greenock in Renfrewshire. He was diagnosed with Hodgkin Lymphoma in May 2021. He received a Special Treat and his mum got in touch.

"Hello there, I just wanted to say thank you so much for the treat boxes which were sent to my son Liam. He was recently diagnosed with Hodgkin Lymphoma and has begun chemotherapy. He had been having a rough time and wasn't feeling too great when the boxes arrived and they really cheered him up! It was such a lovely surprise, totally unexpected and it was like watching someone open Christmas presents. He was delighted! I too was very touched by your token of kindness. The products are fantastic, and he is already enjoying the chocolate snacks and looking forward to working through the rest. We really appreciate this very kind gesture and I can say, hand on heart, that it means so much to know there are great people out there who care."



Katie's Special Day Out Story

Katie, 27, is from Yorkshire and she has been diagnosed with a brain tumour. She shared her Special Day Out with her partner at Rudding Park Spa where they had a relaxing spa break that made their lives feel 'normal' again.

"I was diagnosed with a brain tumour in July last year after having a MRI scan following an unexpected seizure. As I'm still going through my chemotherapy, my immune system is compromised and am therefore at a bigger risk of getting Covid. I have to be really careful about where I go and who I see. Since the diagnosis I have struggled a lot mentally, as have the rest of my family. My partner has had to help me a lot with daily tasks depending on how my fatigue is that day which really upsets me as I feel I am a burden sometimes. We haven't had any time away since the diagnosis so I felt like we would really benefit from a relaxing spa break to make us feel like a normal couple again. My partner has been amazing through all of this so this was a treat for both of us. Our Special Day was absolutely wonderful and just what we needed. It has helped me to not worry so much about the future and try to just enjoy each day as it comes. It also has encouraged me to ensure that I continue to create happy memories and have days out with my friends and loved ones."



Kelly's Special Break Story

Kelly is 40 and from Lancashire. She is undergoing palliative treatment for a rare condition called pseudomyxoma peritonei. Willow organised a Special Break for her, her parents, Neil and Lorraine, and their dog Hugo at Florida Keys Holiday Park in York. She got in touch with us afterwards.

"Mine and my family's life has changed a lot since being diagnosed in 2019. This year I have been given a prognosis of 6-8 months. For my Special Break, I wanted to spend time away with my parents and continue making memories whilst I can. The weekend absolutely did deliver. We had a lovely time and lovely weather too. Thank you again for everything. You guys are really amazing. You have been so caring and helpful right from the start."



Mark’s Special Day at Home Story

Mark is 21, lives in Essex and has Down's Syndrome. Mark only had one wish, a magic themed Special Day at Home with magician Richard Jones. It was a day to remember for all the family as Mark also celebrated his 21st! Afterwards Richard’s mum got in touch:

"It was an absolutely fantastic day - the cake was wonderful! Mark had planned to put on a show for his friends and family, not realising that Richard would be in attendance. Richard the magician was absolutely amazing, he joined in seamlessly with the plan and assisting with Mark's tricks and of course working his own magic in too. It was reminiscent of what you could imagine Morecambe and Wise would be like if mixed with Tommy Cooper. Mark and Richard performed together for around two hours and between them had our small audience captivated and laughing all the way through. Richard stayed and helped Mark cut the cake and seemed to enjoy circulating even being a good enough sport to have a train ride (Mark and his dad have a train set in the garden). The Special Day was a real day to remember for us and especially Mark."

Funding our service

Willow is very grateful to the wide and diverse community of supporters who make our work a reality. We are incredibly grateful to everyone who donated, joined us at an event or took part in our fundraising activities this year. You make our work possible. Just as we innovated in our services, in 2021 we also found new ways to engage our supporters.

A special mention goes to our Development Board, a team of staunch supporters of Willow who, along with their generosity of funds and time, use their influence and networks to support our fundraising strategy.

Individual Giving

Individual Giving income includes funds from supporters who give regularly, people who respond to our appeals and key supporters who make significant philanthropic donations. Individual giving also includes those who gift in memory. These donations represent a significant proportion of the gifts we receive from individuals.

After a challenging year, individual giving increased significantly in 2021. Willow supporters donated through a wide variety of activities and gifts including our appeals, newsletter, Christmas cards and raffle.

We have invested in resource in individual giving to review the programme and make recommendations for growth, as we see this area as key for building our donor pool.

We are incredibly grateful to all our donors who continued to give throughout lockdown. Their dedication made it possible for Willow to continue its vital work through this extremely difficult period.

Trusts and Foundations

Over the years Willow has forged longstanding relationships with many trusts and foundations. We are grateful that our trust supporters have continued their funding of our services during the pandemic. As our services are nationwide, and across all life-threatening conditions, Willow can offer a range of restricted funding opportunities to match a range of preferred giving criteria.

During the past year, trust and foundations gave grants towards young beneficiaries living with a particular illness such as lymphoma or cystic fibrosis, they supported young families living in a certain region or county and they helped us launch our Covid-safe Special Treats programme.

We were particularly grateful to those trusts who gave unrestricted grants which gave us the flexibility needed to create special memories at short notice for beneficiaries most in need. This was especially helpful when our focus was on reaching young beneficiaries living with an incurable cancer diagnosis or a life-limiting degenerative or genetic diseases. Support from trusts and foundations during this second year in a pandemic, brought some stability in an unprecedented and unpredictable fundraising environment.



The Willow Carol Concert returned to St Albans Cathedral

Community and challenge

Community and challenge fundraising were particularly hard hit by lockdown, and large parts of our regular calendar of events and activities had to be adapted or cancelled. However, our supporters continued to amaze us with their ingenuity and dedication. Willow supporters ran, walked, cycled, baked, celebrated special events and birthdays. They also organised balls, dinners, concerts and more. We were delighted at the response to our Virtual Duck Race, which saw hundreds of supporters join our ambassador Jim Rosenthal for a brilliant online fundraising event.

However, it was great to see our supporters face to face once more – particularly at the Run with Willow event at Hatfield House in October and our Christmas Carol Concert at St Albans Cathedral in December.

Corporate partnerships

Corporate support at Willow varies from staff fundraising and charity of the year partnerships to a corporate philanthropic gift and sponsorship of our key events. Together we identify how we can bring lasting benefit to our partners, beneficiaries and our charity.



A Denby Angel on sale at the Willow Carol Concert 2021

At the heart of all partnerships is the alignment of shared values, something demonstrated by our collaboration with Denby Potteries. We were delighted when Denby chose to work with Willow on their Christmas campaign 'Bring Joy'. We were chosen because Denby's Head of Brand, Vikki, had a Special Day in 2009. "I think Willow is an incredible organisation," Vikki told us. "I still have wonderful memories of the experience you gave me in a very difficult time, so it was a thrill to be able to work in partnership."

We worked together on a social media campaign promoting their Joyful Little Angel Christmas tree decoration. The campaign promoted the importance of time with loved ones and precious memories – something Willow strives to deliver every day.

We are especially grateful to the corporate partners who help to make Special Days and Special Treats a reality by donating or discounting their goods and services. They have enabled us to deliver unique and personalised experiences, with some suppliers going the extra mile by also fundraising for Willow.

Special events

Our Special Events calendar began in April 2021 with the London Football Awards in a virtual format. With Harry Pinero and Alex Scott at the helm we were delighted to be able to celebrate the best of London football by streaming the pre-recorded ceremony.

In September we were thrilled to resume live, in-person events after 18 months away. This was kicked off with our celebrity attended Willow Golf Classic. It was fantastic to be back in

the sun at Brocket Hall, raising funds for Special Days and Special Treats. The day was attended by many of our key supporters along with many ambassadors.



Bob and Megs Wilson present the Willow at Heart award to Beverley Barclay on behalf of her fellow medical professionals at the Willow Ball

In November we welcomed both familiar and new faces to our flagship event, the Willow Ball, held at the Savoy in London. At this event we recognise and thank a special person or group of people who have taken Willow to their hearts and shown extraordinary support for our cause, through the Willow at Heart Award. This year the award was dedicated to all the NHS healthcare professionals who refer their patients to Willow's services. They were vital in helping us reach those seriously ill young adults most in need.

Many thanks to all our sponsors and supporters who enable us to make these events a reality.

Retail

Our retail shops in Hertfordshire are a vital revenue stream to fund our services, and an important channel for us to raise awareness of our work.

In 2021 we traded from five Willow shops while our expansion plans remained on hold due to the continuing uncertainty created by Covid.

Lockdown meant that they were closed for 14 weeks of 2021, and during these periods we made use of government support to furlough staff, claimed all available Retail Grants and negotiated rent reductions with our landlords.

We continued to make best use of our volunteers who were able to engage loyal and prospective supporters, encouraging them to donate stock which enabled us to again deliver record breaking sales when trading restarted.

As with most in the sector, Covid has reduced our volunteer numbers. However, we have used the Government's Kickstart Scheme (a new government programme that provides funding for employers who offer new job roles for 16-24 year olds who are currently in receipt of Universal Credit) to support our retail Shop Managers while they rebuild their volunteer numbers.

We offered 26 placements across our 5 stores. These Retail Assistants were a significant contributor to the success of our retail shops since their reopening. We have since made two permanent appointments to the team as a result of the Kickstart placements and as we continue to focus on growth in this area and hope to offer more permanent opportunities to our Kickstart alumni.

With trading conditions getting back to normal we have returned to our expansion plans. We plan to open at least one shop in 2022, followed by two more in 2023, and a further two in 2024, enabling us to contribute further to the provision of Special Days and Special Treats.

Income Classification per Accounting Standards

Income Stream	**Total**	**Donations, legacies and government grants**	**Fundraising events**	**Retail shops**	**Other trading activities**	**Investments**
	£'000s	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**
Special Events	**388**	49	339			
Community & Challenge	**290**	290				
Retail	**681**	321		360		
Corporate Partnerships	**178**	178				
Trusts & Foundations	**313**	313				
Individual Giving	**306**	290			16	
Investments	**51**					51
Other	**46**	46				
Total	**2,253**	**1,487**	**339**	**360**	**16**	**51**

Plans for the future

Although 2021 was another challenging year, Willow built on the success and innovations of 2020.

Our new service model has enabled us to offer flexible ways of supporting different types of beneficiaries. It has also made clear the importance of prioritising the people who need our help most.

In the coming year we want to support more patients who are living with an incurable diagnosis. We hope to increase our support of this group until they constitute 50% of our beneficiaries. We also plan to support more young adults living with degenerative and genetic diseases, so that they ultimately make up 25% of our beneficiaries.

From lockdown we have learned once again how working in partnership with other organisations can increase our impact. We want to build upon our successful collaboration with Hospice UK to support patients at end of life as well as young adults with rare diseases, who are transitioning from children to adult services.

As well as developing our service, we want to grow and develop our supporter base, building on the lessons learned from our responses to the pandemic. In particular, we intend to develop our individual giving programme, grow our events calendar and expand our retail operation.

Our engagement plans will be supported by the ongoing development of our new website and improved back-office function in the form of an upgraded supporter database, delivering more business intelligence and enabling improved engagement and stewardship of our supporters.

A very special team

During 2021 Willow continued to work remotely and looked forward to returning to the office as soon as restrictions allowed. Following the salary reductions that were introduced in 2020 to ensure the charity's continuing viability, we were delighted to be able to reinstate all employees pay to 100%. Our retail stores reopened in April 2021 and the team worked tirelessly to make sure we had a great reopening and welcomed back volunteers and customers.

We are very grateful to the whole Willow team, who continued to adapt and be flexible, with an unwavering focus on delivering Special Treats, Days and Breaks for our beneficiaries.

Volunteers

Our incredible volunteers continued to support Willow both remotely, in person once we were back in the office and at our in-person events from summer 2021. Thank you to everyone who volunteered for Willow this year. Your support at our events, in our shops and in our office makes Willow's work possible.

Despite the year's challenges, we were fortunate enough to be gifted with nearly 12,000 volunteer hours – an increase of more than three times the number of hours volunteered in 2020. We estimate that our 2021 volunteer hours have an equivalent value to Willow of over £105,000.

Towards the end of 2021 and into the New Year, we continue to welcome new volunteers to Willow, working remotely, in our shops and in our office. As we move forward, we intend to grow our volunteer numbers in retail and identify more opportunities to engage volunteers with specific skills and experience, to support across the charity.

Staff Remuneration Policy

The decision regarding pay increases is primarily informed by benchmarking our salaries through participation in the XpertHR Voluntary Sector Salary Survey and specifically for Retail, in the participation and reporting of the Charity Retail Association.

Our priority is to ensure that salaries are paid at market level rates and we will first address any salary anomalies where this is not the case. Consideration will then be given to individual performance and position within an employee's pay band.

Pay increases for any individual above 10% requires further higher level approval from the Governance Committee – however this year there were no pay rises over 10%.

The pay of the Chief Executive and Leadership Team is reviewed and approved by the Governance Committee.

New staff are offered a salary that takes into account the skills and experience they bring to the role, the responsibility level and job function of the role, pay equality, and affordability.

The pay of a new employee will not generally be reviewed in their first year.

Any member of staff subject to poor performance or misconduct procedures would not be eligible for a review until the expiry of any warning.

Any staff employed on a fixed term contract for a period of one year or less would also not be eligible for a review.

The same terms and conditions and pension provisions apply to all staff.

Remuneration

The Trustee Board oversees the pay, pension and benefits for the Chief Executive and Senior Leadership team through the Governance Committee.

During the year, we continued to participate in the XpertHR Voluntary Sector Salary Survey and specifically for Retail the Charity Retail Association Workforce Survey to inform any pay awards for our staff. Our key priority in the last year, was to restore pay to 100% and we are pleased to confirm that we achieved this in early 2021.

Building our team

2021 also saw Willow able to grow its team in Retail. As outlined in the Retail report, we participated in the Government's Kickstart scheme for 16-24 year-olds receiving Universal Credit, offering 26 placements across our five stores.

Income and Expenditure

Income

2021 net income after spending on charitable services and fundraising was a surplus of £23,000.

Total income raised in 2021 was £2,253,000, an increase of £80,000 (4%) on 2020 due to a slow recovery from the financial impact of Covid despite the many lockdowns and restrictions still in place during the year.

Income from fundraising events decreased against the prior year by £86,000, representing a 20% reduction due to continuing restrictions on holding events. During 2020 we had been able to hold the London Football Awards in person prior to lockdown but during 2021 we held only virtual events together with a smaller Ball and golf event once it became possible. Retail shop sales increased by £70,000 (24%), as we were able to be open for a greater proportion of the year than in 2020, as controlled by the various local and national lockdowns.

The impact of the continuing low income streams has been partially covered by some limited short-term funding received from the government in the form of furlough and retail grant support, as well as the Kickstart scheme – which totalled £246,000 in 2021, a decrease of £134,000 (35%) compared to 2020.

Expenditure

Expenditure on raising funds increased against last year by £132,000, representing an increase of 10% due to the increased fundraising activity driving the increase in total income and the planned income increase during 2022.

Expenditure on fundraising events increased by £11,000/7% as the team returned from furlough and held some events together with planning a full event schedule for 2022. Expenditure on running retail shops reduced by £16,000/9% reflecting the support from landlords whilst we were unable to trade as well as the ongoing efforts to keep variable costs as low as possible.

Expenditure on our charitable services increased by £33,000 representing the success of our new Special Treat packs, even though the quantity of Special Days had to remain very low due to the Covid-related risks to our beneficiaries.

Willow's fundraising model

Large fundraising events have, for many years provided a significant and important proportion of Willow funds.

This has been a legacy from the charity's beginning where the founders, Bob and Megs Wilson, were able to use their sporting connections and other relationships to raise large sums for Willow. These events continue to provide a valuable source of income – but also carry significant cost and risk, whilst reducing our charitable spend ratio.

The situation with Covid and the social distancing measures in place continued to have a significant impact on income from Willow events in 2021. While costs have been reduced accordingly, like many other charities in a similar position, our charitable spend ratios reduced in the short term as we dealt with the impact of the pandemic.

A key focus for Willow, therefore, is to achieve a more sustainable and balanced fundraising model. We continue to develop other long-term sustainable ways to raise funds, which will help Willow to move towards better fundraising ratios, for example developing our trusts and foundations, legacy and philanthropy programs.

Reserves policy

All charities are required to consider how much they need to hold in reserves.
The extent depends upon the scale and nature of the charity's activities.

At Willow we hold reserves to ensure that in the event of a downturn in income or substantial fluctuations in cash flow, the charity can continue to meet its commitments to Special Days and to operate for at least six months. Willow's general fund is currently £1,525,000 which equates to 10 months of general costs and so is in line with this reserves policy.

Willow holds restricted and unrestricted reserve funds. Unrestricted funds are composed of designated funds held for specific purposes and general funds that can be used for any activity in pursuit of the charitable objectives of Willow.

Restricted funds are outstanding balances on funds that have been donated for a specific purpose.

At 31 December 2021 Willow held the following levels of reserves:

Unrestricted funds:	Dec-21	Dec-20
General funds	1,524,992	1,788,784
Designated funds:		
Fixed Assets Reserve	25,963	36,942
Special Days Reserve	572,024	213,124
Investment Reserve	527,776	468,467
Retail Expansion Reserve	290,000	-
Restricted funds	134,101	283,150
Total funds	3,074,856	2,790,467

Our designated reserves at the end of the year totalled £1,416,000 (2020 £719,000). They are made up of:

- Special Days Reserve £572,000 (2020 £213,000) - a reserve to cover the costs of fulfilling applications for Special Days which are in progress after allowing for an increase in Special Days back to the level in 2019, prior to Covid reductions; when this level is reached it will be equivalent to approximately half a year's applications.
- Fixed Assets Reserve £26,000 (2020 £37,000) - this reserve allows for the depreciation of fixed assets and is equal to the book value of the fixed assets in the charity.

- Investment Reserve £528,000 (2020 £468,000) - represents 20% of our investment portfolio and allows for fluctuations in the market value of investments.
- Retail Expansion Reserve £290,000 (2020 £nil) – represents the cash required to expand the charity shop retail chain from the current 5 shops to 10 shops which is planned to happen over the next 3 years.
- General Reserve £1,525,000 (2019 £1,789,000) is the balance of unrestricted funds, at year end it represented 10 months of total expenditure (excluding direct charitable expenditure covered within the special days reserve).

Investments

Willow's governing document permits the trustees to invest the assets of the charity. These investments give assurance that Willow can continue to effectively operate in the short term in the event of a downturn in income.

The Finance & Audit Committee review investment performance quarterly and meet with the Investment Manager, Quilter Cheviot Investment Management, every 6 months to review investment strategy. Willow keeps investments for the medium to long term and does not set annual targets for performance.

The Manager operates within an agreed asset allocation and guidelines on the size of individual holdings.

As a charity concerned with seriously ill young people, investment in manufacturers of tobacco is expressly prohibited.

Our investments were valued at £2,639,000 on 31 December 2021 (£2,342,000 on 31 December 2020), an increase of 13%.

Principle risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance.

In managing risk, trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken.

It also means that trustees can make the most of opportunities and develop them with the confidence that any risks will be managed.

How we manage risk

Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur.

The Senior Management team regularly reviews all existing risks on the register as well as emerging risks and actions to mitigate risks.

The key risks are reviewed quarterly at each Finance and Audit Committee meeting and the full risk register is reviewed annually by the trustees.

The trustees are satisfied that key risks have been identified; that there is sufficient internal accountability and control and that mitigating actions have been identified for each risk. All risks have been reviewed in the light of Covid-19.

Risks rated high in probability of occurrence and impact, as at December 2021

1. Donors are supporting Life Presidents, rather than Willow's cause, and will withdraw support once the Life Presidents are less active.
2. Loss on investments.
3. Failure to achieve budgeted income to support organisational plan.

What we do to manage these risks

1. Fundraising and communications strategy based on building support for our cause.
2. Income diversification.
3. Funds managed by professional investment managers, working within risk profile specified by the Finance & Audit Committee.
4. Investment performance regularly reviewed by the Finance & Audit Committee.
5. Designated reserve held against investment loss.
6. Bi-annual meeting with Investment Managers.
7. Annual activity plan to manage key proactive fundraising and income pipelines on a monthly basis.
8. Detailed monthly activity monitoring.
9. Monthly fundraising review meetings and monthly donor prospect meetings to track income generation.
10. Strong reserves position as a safeguard against short-term underperformance.

Independent Auditor's Report To The Members Of Willow Foundation

Opinion

We have audited the financial statements of Willow Foundation (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2021 and of its 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,
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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.

Judith Miller (Senior statutory auditor)
5 August 2022
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL
Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

WILLOW FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	3	1,144,373	342,847	**1,487,220**	1,396,464
Fundraising events	4	338,665	-	**338,665**	424,540
Retail shop sales	4	359,526	-	**359,526**	289,115
Other trading activities	4	16,334	-	**16,334**	16,496
Investments	5	51,218	-	**51,218**	46,338
Total income		**1,910,116**	**342,847**	**2,252,963**	2,172,953
Expenditure on:					
Raising funds	6	1,419,816	1,800	**1,421,616**	1,290,056
Charitable activities: Special Days	6	292,147	334,559	**626,706**	673,242
Charitable activities: Treat Packs	6	25,821	155,537	**181,358**	101,993
Total expenditure		**1,737,784**	**491,896**	**2,229,680**	2,065,291
Net income / (expenditure) before net gains on investments		172,332	(149,049)	**23,283**	107,662
Net gains on investments	13	260,846	-	**260,846**	224,124
Net income / (expenditure) before other recognised gains and losses		433,178	(149,049)	**284,129**	331,786
Gains / (losses) on sale of fixed assets		260	-	**260**	(4,382)
Net movement in funds		433,438	(149,049)	**284,389**	327,404
Reconciliation of funds:					
Total funds brought forward		2,507,317	283,150	**2,790,467**	2,463,063
Total funds carried forward		2,940,755	134,101	**3,074,856**	2,790,467

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

WILLOW FOUNDATION
BALANCE SHEET
As at 31 December 2021

Company Number: 5207070

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		**25,963**		36,942
Investments	13		**2,638,878**		2,342,334
			2,664,841		2,379,276
Current assets:					
Stock	14	**5,691**		7,072	
Debtors	15	**330,996**		319,254	
Cash at bank and in hand		**314,268**		774,727	
		650,955		1,101,053	
Creditors: amounts falling due within one year	16	**240,940**		689,862	
Net current assets			**410,015**		411,191
Total assets less current liabilities			**3,074,856**		2,790,467
Total net assets			**3,074,856**		2,790,467
Funds:	21a				
Restricted income funds			**134,101**		283,150
Unrestricted income funds:					
Designated funds		**1,415,763**		718,533	
General funds		**1,524,992**		1,788,784	
Total unrestricted funds			**2,940,755**		2,507,317
Total charity funds			**3,074,856**		2,790,467

Approved by the trustees on 5 August 2022 and signed on their behalf by

Richard King, Chair of Trustees

WILLOW FOUNDATION
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	Note	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	22		**(470,154)**		433,897
Cash flows from investing activities:					
Dividends, interest and rents from investments		**51,218**		46,338	
Proceeds from the sale of fixed assets		**260**		-	
Purchase of fixed assets		**(6,085)**		(9,672)	
Proceeds from sale of investments		**326,395**		788,746	
Purchase of investments		**(443,278)**		(583,320)	
(Increase)/decrease in cash in investment portfolio		**81,185**		(69,176)	
Net cash provided by investing activities			**9,695**		172,916
Change in cash and cash equivalents in the year			**(460,459)**		606,813
Cash and cash equivalents at the beginning of the year			**774,727**		167,914
Cash and cash equivalents at the end of the year			**314,268**		774,727

1 Accounting policies

a) Statutory information
Willow Foundation is a charitable company limited by guarantee and is incorporated in the UK. The registered office address is Gate House, Fretherne Rd, Welwyn Garden City AL8 6NS.

b) Basis of preparation
The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity
The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern
The financial statements have been prepared on the basis that Willow Foundation has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. Covid-19 significantly affected activities during 2020 and 2021 but the charity started recovering in 2021 and this recovery is continuing well during 2022. The going concern basis is appropriate because:

- The charity shops were closed during lockdowns but sales levels are now above pre lockdown levels. Fundraising income reduced in 2020 but is building back steadily and the charity has scaled back spend to allow for this;
- A significant proportion of expenditure is discretionary. The charity scaled back its Special Day services and restructured in late 2020, making a number of roles redundant. We diversified our services to include Special Treats and the charity is now gradually building back charitable services;
- The unrestricted general reserve remains above target level;
- The charity has a high level of valuable assets including its investment portfolio. Investments have suffered a large decrease in value so far during 2022 but the charity does not plan to liquidise any investments during 2022 and only at very low levels during 2023 and 2024;
- The cash position is positive.

Management have undertaken detailed forecasting and sensitivity analysis to December 2023 and the trustees have considered uncertainties and liquidity risks. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

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

f) Donations of gifts, services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so please refer to the trustees' annual report for more information about their contribution.

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

g) Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting
Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes without any more specific purpose being laid down by the donor.
Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities within the charitable company with a fundraising purpose. It includes allocated support costs.
- Expenditure on charitable activities includes the costs of delivering and promoting services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

j) Allocation of support costs
Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of governance and support, including staff costs within these functions, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity and is reviewed each year.

Charitable activity - provision of Special Days	35%
Charitable activity - provision of Treat Packs	6%
Cost of raising funds	59%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases
Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets
Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Land and buildings	50 years
Leasehold improvements	term of lease
Furniture, equipment and software	3 years

m) Listed investments
Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Stocks
Purchased stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are not included in the financial statements until they are sold or distributed.

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

p) Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held by our investment managers for re-investment, which are included in the value of investments.

q) Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. With the exception of the listed investments described above, the charity only has financial liabilities of a kind that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their settlement value.

r) Creditors and provisions
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s) Pensions
The charity's policy is to operate a group personal pension scheme compliant with auto-enrolment requirements and to contribute a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice as long as the employee matches the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

2) Detailed comparatives for the statement of financial activities

	Unrestricted	Restricted	2020 Total
	£	£	£
Income from:			
Donations and legacies	1,010,351	386,113	1,396,464
Fundraising events	424,540	-	424,540
Retail shop sales	289,115	-	289,115
Other trading activities	16,496	-	16,496
Investments	46,338	-	46,338
Total income	1,786,840	386,113	2,172,953
Expenditure on:			
Raising funds	1,282,780	7,276	1,290,056
Charitable activities: Special Days	487,799	185,443	673,242
Charitable activities: Treat Packs	17,016	84,977	101,993
Total expenditure	1,787,595	277,696	2,065,291
Net income / (expenditure) before gains on investments	(755)	108,417	107,662
Net gains on investments	224,124	-	224,124
Net income before other recognised gains and losses	223,369	108,417	331,786
Gains / (losses) on sale of fixed assets	(4,382)	-	(4,382)
Net movement in funds	218,987	108,417	327,404
Reconciliation of funds:			
Total funds brought forward	2,288,330	174,733	2,463,063
Total funds carried forward	2,507,317	283,150	2,790,467

3 Income from donations and legacies

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Gifts	894,725	277,850	**1,172,575**	629,632	344,690	974,322
Government funding	246,385	-	**246,385**	380,309	-	380,309
Legacies	3,263	-	**3,263**	410	-	410
Donated services	-	64,997	**64,997**	-	41,423	41,423
	1,144,373	342,847	**1,487,220**	1,010,351	386,113	1,396,464

Government funding consisted of £90,407 (2020: £251,641) grant funding received from the Coronavirus Job Retention Scheme, £80,519 (2020: £128,668) grant funding received from the Retail, Hospitality and Leisure Grant Fund, £8,319 from an Access to Work grant and £67,140 received via the Kickstart Scheme.

4 Income from other trading activities

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Fundraising events	338,665	-	**338,665**	424,540	-	424,540
Retail shops	359,526	-	**359,526**	289,115	-	289,115
Sale of merchandise	3,219	-	**3,219**	4,395		4,395
Raffles and other trading	13,115	-	**13,115**	12,101	-	12,101
	714,525	-	**714,525**	730,151	-	730,151

5 Income from investments

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Investment portfolio	51,142	-	**51,142**	46,187	-	46,187
Bank interest	76	-	**76**	151	-	151
	51,218	-	**51,218**	46,338	-	46,338

6a Analysis of expenditure (current year)

		Charitable activities					
	Cost of raising funds	Charitable activities: Special Days	Charitable activities: Treat Packs	Governance costs	Support costs	**2021 Total**	2020 Total
	£	£	£	£	£	**£**	£
Staff costs (Note 8)	678,834	180,860	30,654	-	373,826	**1,264,174**	1,271,713
Direct beneficiary expenditure	-	237,187	114,934	-	-	**352,121**	184,867
Costs of fundraising	44,809	-	-	-	-	**44,809**	49,964
Fundraising events	169,409	-	-	-	-	**169,409**	158,315
Merchandising and raffles	3,143	-	-	-	-	**3,143**	4,315
Running retail shops	158,552	-	-	-	-	**158,552**	174,163
Investment management	15,129	-	-	-	-	**15,129**	12,120
Audit and accountancy	-	-	-	12,240	-	**12,240**	11,700
Other governance costs	-	-	-	421	-	**421**	3,908
Communications	-	-	-	-	26,284	**26,284**	19,194
Premises, facilities & IT	-	-	-	-	160,907	**160,907**	149,483
General management & HR	-	-	-	-	15,814	**15,814**	15,275
Financial administration	-	-	-	-	6,677	**6,677**	10,274
	1,069,876	418,047	145,588	12,661	583,508	**2,229,680**	2,065,291
Support costs	344,270	204,228	35,010	-	(583,508)	**-**	-
Governance costs	7,470	4,431	760	(12,661)	-	**-**	-
Total expenditure 2021	**1,421,616**	**626,706**	**181,358**	**-**	**-**	**2,229,680**	
Total expenditure 2020	**1,290,056**	**673,242**	**101,993**	**-**	**-**		**2,065,291**

6b Analysis of expenditure (prior year)

		Charitable activities				
	Cost of raising funds	Charitable activities: Special Days	Charitable activities: Treat Packs	Governance costs	Support costs	**2020 Total**
	£	£	£	£	£	**£**
Staff costs (Note 8)	628,077	288,012	28,516	-	327,108	**1,271,713**
Direct beneficiary expenditure	-	138,236	46,631	-	-	**184,867**
Costs of fundraising	49,964	-	-	-	-	**49,964**
Fundraising events	158,315	-	-	-	-	**158,315**
Merchandising and raffles	4,315	-	-	-	-	**4,315**
Running retail shops	174,163	-	-	-	-	**174,163**
Investment management	12,120	-	-	-	-	**12,120**
Audit and accountancy	-	-	-	11,700	-	**11,700**
Other governance costs	-	-	-	3,908	-	**3,908**
Communications	-	-	-	-	19,194	**19,194**
Premises, facilities & IT	-	-	-	-	149,483	**149,483**
General management & HR	-	-	-	-	15,275	**15,275**
Financial administration	-	-	-	-	10,274	**10,274**
	1,026,954	426,248	75,147	15,608	521,334	**2,065,291**
Support costs	255,454	239,814	26,066	-	(521,334)	**-**
Governance costs	7,648	7,180	780	(15,608)	-	**-**
Total expenditure 2020	**1,290,056**	**673,242**	**101,993**	**-**	**-**	**2,065,291**

7 Net incoming resources for the year

This is stated after charging / crediting:

	2021	2020
	£	£
Depreciation	**17,064**	34,364
Profit / (loss) on disposal of fixed assets	**260**	(4,382)
Operating lease rentals: Property	**143,973**	150,557
Operating lease rentals: Vehicles	**3,564**	3,540
Auditors' remuneration (excluding VAT):		
Audit	**10,200**	9,750
Other services	**1,050**	2,650

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

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	**1,053,076**	1,055,778
Redundancy and termination costs	**15,688**	30,605
Social security costs	**82,472**	87,417
Employer's contribution to defined contribution pension schemes	**107,774**	90,390
Other forms of employee benefits	**5,164**	7,523
	1,264,174	1,271,713

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021	2020
	No.	No.
£60,000 - £69,999	**-**	1
£70,000 - £79,999	**1**	-

The total employee benefits including NI and pension contributions of the key management personnel were £188,755 between 3 senior staff (2020: £184,792 between 3 senior staff).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2020 £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses representing the payment or reimbursement of travel and subsistence costs are potentially payable but none were claimed in 2021 (2020: £nil).

9 Staff numbers

The average number of employees during the year was as follows:

	2021	2020
	No.	No.
Full-time equivalent staff numbers		
Raising funds - voluntary income	**6.7**	6.9
Raising funds - events sales	**3.3**	3.8
Raising funds - retail shop sales	**13.8**	11.2
Charitable activity: Special Days	**5.9**	10.1
Charitable activity: Treat Packs	**1.0**	1.0
Support	**5.5**	5.7
Governance	**1.0**	1.0
	37.2	39.7
Headcount	**49**	52
Full-time staff	**13**	16
Part-time staff	**36**	36
	49	52

10 Related party transactions

Glyn Taylor is a trustee of Willow Foundation. He is also a partner at CMS Cameron McKenna Nabarro Olswang LLP. During the year Willow paid CMS £4,558 (2020: zero) for legal services.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

No UK corporation tax was payable in 2021 (2020: nil).

12 Tangible fixed assets

	Leasehold improvements	Fixtures & fittings	Equipment, furniture & software	**Total**
Cost	£	£	£	**£**
At the start of the year	170,955	35,817	176,791	**383,563**
Additions in year	-	2,629	3,456	**6,085**
Disposals in year	-	-	(5,328)	**(5,328)**
At the end of the year	170,955	38,446	174,919	**384,320**
Depreciation				
At the start of the year	160,603	26,449	159,569	**346,621**
Charge for the year	3,438	4,378	9,248	**17,064**
Eliminated on disposal	-	-	(5,328)	**(5,328)**
At the end of the year	164,041	30,827	163,489	**358,357**
Net book value				
At the end of the year	6,914	7,619	11,430	**25,963**
At the start of the year	10,352	9,368	17,222	36,942

All of the above assets are used for charitable purposes.

13 Listed investments

	2021	2020
	£	£
Fair value at the start of the year	**2,228,928**	2,210,230
Additions at cost	**443,278**	583,320
Disposal proceeds	**(326,395)**	(788,746)
Net gain on change in fair value	**260,846**	224,124
Fair value at the end of the year	**2,606,657**	2,228,928
Cash held by investment broker pending reinvestment	**32,221**	113,406
Fair value at the end of the year including cash	**2,638,878**	2,342,334

Investments comprise:

	2021	2020
	£	£
Equity shares listed in the UK	**540,476**	491,080
Equity shares listed in mainland Europe	**109,387**	72,635
Equity shares listed in the USA	**800,672**	672,279
Equity shares listed in Japan & Asia	**178,324**	180,382
Equity shares Global	**105,500**	76,641
UK bonds	**208,332**	227,816
Alternative Investments	**503,100**	348,473
Global bonds	**118,925**	114,458
Emerging markets	**41,941**	45,164
Cash	**32,221**	113,406
	2,638,878	2,342,334

14 Stock

	2021	2020
	£	£
Finished goods	**5,691**	7,072
	5,691	7,072

15 Debtors

	2021	2020
	£	£
Trade debtors	**70,794**	24,825
Other debtors	**11,014**	28,113
Prepayments	**144,299**	159,754
Accrued income	**104,889**	106,562
	330,996	319,254

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	**-**	450,000
Trade creditors	**76,342**	86,059
Taxation and social security	**15,112**	18,237
Other creditors	**15,427**	20,092
Accruals	**46,022**	45,747
Deferred income	**88,037**	69,727
	240,940	689,862

17 Deferred income

Deferred income comprises proceeds from tickets sold for fundraising events due to take place the following year.

	2021	2020
	£	£
Balance at the beginning of the year	**69,727**	193,942
Amount released to income in the year	**(5,100)**	(153,200)
Amount deferred in the year	**23,410**	28,985
Balance at the end of the year	**88,037**	69,727

18 Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	**At 31 December 2021 £**
Cash	775,228	(460,960)	**314,268**
Loans falling due within one year	(450,000)	450,000	**-**
Total	325,228	(10,960)	**314,268**

19 Pension scheme

Willow Foundation operates a group personal pension scheme compliant with auto-enrolment requirements, provided by Royal London Mutual Insurance Society Ltd. The charity contributes a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice. The employee must at least match the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

The pension cost of these schemes during the year was £107,774 (2020: £90,390). At 31 December 2021 £10,195 in contributions was outstanding (2020: £9,169).

20a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	25,963	-	25,963
Investments	1,249,078	1,389,800	-	2,638,878
Net current assets	275,914	-	134,101	410,015
Net assets at 31 December 2021	**1,524,992**	**1,415,763**	**134,101**	**3,074,856**

20b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	36,942	-	36,942
Investments	1,660,743	681,591	-	2,342,334
Net current assets	128,041	-	283,150	411,191
Net assets at 31 December 2020	1,788,784	718,533	283,150	2,790,467

21a Movements in funds (current year)

	At 1 January 2021	Income & gains	Expenditure & losses	Transfers	**At 31 December 2021**
	£	£	£	£	**£**
Restricted funds:					
Specific beneficiaries	-	67,997	(67,997)	-	**-**
Special Days - specific illness	4,654	-	(3,875)	-	**779**
Special Days - specific areas	49,885	1,000	(35,285)	-	**15,600**
Special Days - specific age	43,818	-	(43,818)	-	**-**
Special Days - combination of specific illness and/or area and/or age	1,125	2,000	(3,125)	-	**-**
Special Days Out & Days at Home for those whose Special Days were put on hold due to Covid	70,000	-	(70,000)	-	**-**
Treat Packs - specific areas	2,068	-	(1,576)	-	**492**
Treat Packs - combination of specific illness and / or area and /or age	1,898	-	(1,898)	-	**-**
Treat Packs - non-specific	-	1,000	(1,000)	-	**-**
Charitable Service - specific illness	-	36,350	(30,995)	-	**5,355**
Charitable Service - specific areas	10,022	131,500	(106,732)	-	**34,790**
Charitable Service - combination of specific illness and / or areas and / or age	-	5,000	(3,380)	-	**1,620**
Charitable service - palliative parents	-	95,000	(19,535)	-	**75,465**
Charitable service - non-specific	95,000	3,000	(98,000)	-	**-**
Development of Willow website	4,680	-	(4,680)	-	**-**
Total restricted funds	283,150	342,847	(491,896)	-	**134,101**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	36,942	-	-	(10,979)	**25,963**
Special Days Reserve	213,124	-	-	358,900	**572,024**
Investment Reserve	468,467	-	-	59,309	**527,776**
Retail Expansion Reserve	-	-	-	290,000	**290,000**
Total designated funds	718,533	-	-	697,230	**1,415,763**
General funds	1,788,784	2,171,222	(1,737,784)	(697,230)	**1,524,992**
Total unrestricted funds	2,507,317	2,171,222	(1,737,784)	-	**2,940,755**
Total funds	2,790,467	2,514,069	(2,229,680)	-	**3,074,856**

The narrative to explain the purpose of each fund is given at the foot of the note below.

21b Movements in funds (prior year)

	At 1 January 2020	Income & gains	Expenditure & losses	Transfers	**At 31 December 2020**
	£	£	£	£	**£**
Restricted funds:					
Specific beneficiaries	-	41,423	(41,423)	-	-
Special Days - specific illness	779	26,000	(22,125)	-	4,654
Special Days - specific areas	40,136	40,650	(30,901)	-	49,885
Special Days - specific age	100,818	-	(57,000)	-	43,818
Special Days - combination of specific illness and/or area and/or age	3,000	8,500	(10,375)	-	1,125
Special Days Out & Days at Home for those whose Special Days were put on hold due to Covid	-	70,000	-	-	70,000
Treat Packs - specific areas	-	15,450	(13,382)	-	2,068
Treat Packs - combination of specific illness and / or area and /or age	-	2,500	(602)	-	1,898
Treat Packs - non-specific	-	38,750	(38,750)		-
Charitable Service - specific illness	-	3,000	(3,000)	-	-
Charitable Service - specific areas	-	13,800	(3,778)	-	10,022
Charitable Service - specific age	-	3,000	(3,000)	-	-
Charitable Service - combination of specific illness and / or areas and / or age	-	2,000	(2,000)	-	-
Charitable service - non-specific	-	121,000	(44,084)	18,084	95,000
Development of Willow website	30,000	-	(7,236)	(18,084)	4,680
Charity shops	-	40	(40)	-	-
Total restricted funds	174,733	386,113	(277,696)	-	283,150
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	66,016	-	-	(29,074)	36,942
Special Days Reserve	571,709	-	-	(358,585)	213,124
Investment Reserve	450,892	-	-	17,575	468,467
Total designated funds	1,088,617	-	-	(370,084)	718,533
General funds	1,199,713	2,010,964	(1,791,977)	370,084	1,788,784
Total unrestricted funds	2,288,330	2,010,964	(1,791,977)	-	2,507,317
Total funds	2,463,063	2,397,077	(2,069,673)	-	2,790,467

Purposes of restricted funds

The 'Specific Beneficiaries' restricted fund relates to discounts and gifts in kind which are given for a specific beneficiary's Special Day or Treat Pack or else grants made specifically for certain beneficiaries.

The next Special Days, Treat Packs and Charitable Service restricted funds listed are all funds given for charitable activities of a particular kind. Some donors restricted the activity to certain types of Special Day only, to Special Days only and some to Treat Packs only whereas some restricted it to any service provided to the beneficiaries. Within these categories, donors have chosen to restrict to benefit people from a particular geographical area, a particular age group or suffering a particular type of illness - or some combination of these factors.

The development of Willow website restricted fund is to assist the charity in producing a new updated website.

Purposes of designated funds

The Fixed Assets Reserve represents the net book value of the leasehold improvements in the building occupied by the charity or its subsidiaries and the furniture, software and equipment owned by the group. Funds tied up in these assets are not available for spending on special days.

The Special Days Reserve represents the costs to fulfil applications in progress allowing for an increase in Special Days back to the level in 2019 prior to Covid reductions; when this level is reached it will be equivalent to approximately half a year’s applications.

The Investment Reserve is an ongoing fund to protect the provision of special days from downward fluctuations in investment markets. Net investment gains are added to this fund in subsequent years subject to a maximum of 20% of the value of the investment portfolio.

The Retail Expansion Reserve represents the cash required to expand the charity shop retail chain from the current 5 shops to 10 shops which the trustees intend will happen over the next 3 years.

Transfers have been made between the general fund and designated funds in order to achieve the required levels in the designated funds.

22 Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£	£
Net income for the reporting period (as per the statement of financial activities)	**284,389**	327,404
Depreciation charges	**17,064**	34,364
(Gains)/losses on investments	**(260,846)**	(224,124)
Dividends, interest and rent from investments	**(51,218)**	(46,338)
(Profit)/loss on the disposal of fixed assets	**(260)**	4,382
(Increase)/decrease in stocks	**1,381**	(209)
(Increase)/decrease in debtors	**(11,742)**	55,400
Increase/(decrease) in creditors	**(448,922)**	283,018
Net cash provided by / (used in) operating activities	**(470,154)**	433,897

23 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Vehicles		Property	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	**3,564**	3,564	**152,614**	155,706
One to five years	**2,376**	5,940	**391,223**	485,880
Over five years	**-**	-	**311,673**	369,629
	5,940	9,504	**855,510**	1,011,215

24 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

25 Post balance sheet events

Since the financial year-end, the value of the charity's investments has fallen to £2,282,000. The trustees view investments as long term assets and have therefore not realised any losses by withdrawing from the investment portfolio so far during 2022 and neither do they plan to withdraw funds during the remainder of 2022.

Governance

Legal Structure and purpose

Willow is a charitable company limited by guarantee (registered number 5207070) and a registered charity in England and Wales (charity number 1106746) and Scotland (charity number SC045811).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 9 August 2004 and amended on 28 February 2013 and 12 January 2015. On 1 January 2005, the assets and activities of the Willow Foundation, a charity established in 1999 and constituted by trust deed, were transferred to this charity. The charity currently has one wholly-owned subsidiary trading company.

The object of Willow is to enhance the quality of life for seriously ill or handicapped young people aged 16 to 40 years old throughout the UK.

Charity Governance Code

The trustees are committed to good governance and follow the Charity Governance Code to develop and ensure Willow follows high standards of governance. Willow has a Governance Committee in place who are charged with ensuring high standards of governance. The Committee meets twice a year and reviews terms of office, pay proposals, Chair and Trustee succession planning, policies and the Governance Manual.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning.

Subsidiary undertaking

Willow owns 100% of the shares in Willow Events Limited, a company established in 2005 (company no. 5352056) to undertake commercial activity of benefit to the charity. Willow Events Limited was dormant during 2021 and should it start trading again then any future profits would be donated to the charity.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. Trustees are the directors of the company and serve for renewable terms of three years.

The Board comprised nine trustees as at 31 December 2021. Trustees have a wide range of skills and experience appropriate to the governance of the activities of Willow.

The Board meets at least four times each year to regularly review and direct Willow's strategy, budget and performance. The day-to-day management of the charity is currently delegated by the Chairman to the Executive Team. Specific responsibilities are also delegated to various committees described below.

From time to time the Board reviews the skills of the Trustees against the skills required to direct the affairs of the charity. Where skill gaps are identified, succession and recruitment plans are developed and implemented. The Board of Trustees appoints all new trustees and committee members through a variety of recruitment methods including formal search and word of mouth.

An induction programme is offered to all new trustees and further updates and training are provided as required. This includes meetings with the Founders of Willow Bob and Megs Wilson, the Chairman, members of the Executive Team and where possible a Special Day beneficiary.

The Committees

All Willow Committees meet at least two times a year and minutes of their meetings are presented to the Board of Trustees by the Chair of each Committee.

The Finance & Audit Committee reviews the charity's annual financial statements, audit matters, investment performance and internal financial controls.

The Retail Board advises on the charity's shops and the Governance Committee advises on effective governance and Trustee Board membership.

Fundraising

Willow uses a diverse range of fundraising activities to raise vital funds towards the delivery of our service. Our Board of Trustees and Leadership Team are committed to building trust with our supporters.

We are registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. We did not use any professional fundraisers or commercial participators during 2021. We monitor fundraisers and volunteers in all aspects of their fundraising and in line with the Code of Fundraising Practice and we provide materials and support to fundraisers and review and provide feedback on performance.

We endeavour to adhere to all codes and best practices set out by the codes and the General Data Protection Regulations.

Our quality assurance also includes regular reviews of complaints and other feedback, as well as regular audits and mystery shopping. In 2021 there were no complaints logged.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake and have a Safeguarding Children and Vulnerable Adults policy in place which has been approved by the Board of Trustees.

Going Concern Statement

The Trustees have reviewed the accounts as well as the charity activities, budgets and plans for 2022 and 2023, reserves positions up to the date of signing off these accounts and the group risk register.

Covid continued to create a very uncertain environment during 2021 and continued to create difficulties during early 2022. Despite this, the Trustees have reasonable expectation that Willow will remain a going concern for the foreseeable future which is determined to be at least 12 months from the signature date of these accounts.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charity was put to the Board of Trustees on 5 August 2022.

Statement of responsibilities of the trustees

The trustees (who are also directors of Willow for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the

United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2021 was 9 (2020: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 5 August 2022 and signed on its behalf by:

Richard King
Chairman

Charity information

Life Presidents

Megs Wilson
Bob Wilson OBE

Ambassadors

Natasha Kaplinsky OBE
Pat Jennings OBE
Mary Nightingale
Theo Walcott
Jim Rosenthal
Linda Lusardi
David Seaman MBE
Sam Kane
Lee Dixon
Gary Mabbutt MBE
Simon McCoy
Ian Poulter
Gary Lewin
Ian Wright MBE
Frankie Seaman (formerly Poultney)
Martin Chivers
Ossie Ardiles
Katie Swan
Alfie Boe OBE
Leah Williamson
Mica Paris MBE

Trustees

Richard King – Chair
Nicholas Aldridge
Stewart Bennett
Elena Ciallie
Rachel Jones
Martin Ryan
Vanessa Steel – appointed on 24 September 2021
Glyn Taylor
David Waddington CBE

Senior Management

Jonathan Aves – Chief Executive
Claire Kermode – Company Secretary, Finance, Resources and Retail Director
Dominic Heath – Special Days Director

Principal address and registered office

3rd Floor, Gate House, Fretherne Road
Welwyn Garden City, Hertfordshire AL8 6NS
Telephone: 01707 259777
Fax: 01707 259289
Web: willowfoundation.org.uk

Auditors

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL

Solicitors

Pellys Solicitors Ltd, 18 The Causeway, Bishops Stortford CM23 2EJ

Principal banker

NatWest Bank, 2nd floor Argyll House, 246 Regent Street, London W1P 3PB

Investment managers

Quilter Cheviot Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4AB.

WILLOW FOUNDATION

England & Wales - Charity number 1106746

Accounts



WILLOW ANNUAL REPORT AND FINANCIAL STATEMENTS 2020

Company number: 5207070

willow
special days for seriously ill young adults

The trustees present their report and the audited financial statements for the year ended 31 December 2020. Reference and administrative information set out on page 71 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

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LETTER FROM THE CHAIR

In 2020 Willow celebrated its 21st birthday and created its 17,000th Special Day. There should have been much to celebrate. However, 2020 also proved to be the most challenging year in the charity's history, and that meant making some difficult decisions and enduring some sacrifices. The financial year began with the country going into lockdown, and Willow suspending its service. Many of Willow's beneficiaries were advised to shield, so not only were they living with the realities of serious illness, they were also increasingly isolated.

Through close contact with our beneficiaries we were aware of their challenges, cancelled or delayed treatments and while support services from hospices were suspended too.

One of our beneficiaries Faye, a young mum diagnosed with breast cancer, said:

I was going through chemotherapy when Covid hit in March 2020 and it was a very stressful time because even my doctors didn't know to what extent cancer services would be affected. I ended up having my chemotherapy cut short and my surgery moved to a private hospital to get it done as quickly as possible, then radiotherapy and a further six months of chemotherapy. I was extremely fearful of how Covid could potentially affect me while my immune system was weakened by chemotherapy, so we barely left the house between March and my daughter starting school in the September. That impacted my children as well as it was such a crucial stage of their social development.

Our beneficiaries have always been at the heart of everything we do. We knew that in lockdown they would need us more than ever. While we could no longer deliver Special Days, we had to find new ways of fulfilling our mission of creating magic moments that become precious memories, of bringing sunshine to people living with serious illness.

But I'm proud to say that everybody connected with Willow rose to the challenge magnificently: from our staff who worked on reduced hours and reduced pay, but nevertheless managed to respond to the challenges of lockdown and create innovative new services and events, to our trustees who steered a prudent course through difficult waters, to our loyal supporters, companies and trusts who never deserted us, even when facing financial challenges of their own. I'd like to take this opportunity to thank them all – we will never forget your vital support.

As I write this letter, we have now reopened our full service after a long and challenging interruption. In recent months we have delivered many of the Special Day services that were

postponed in 2020, and the feedback we've received has made it clear that it was very much worth the wait: Special Days are needed and appreciated more than ever.

Thanks to our agile response to lockdown, our prudent financial management, and our loyal supporters we were able to continue to support Faye. We sent her and her family a Positivity Pack in November 2020, and she told us how much her children loved playing with the treats inside. In June 2021 we were able to arrange for her and her family to spend a Special Day at Legoland.

We spent two days and a night at Legoland, Windsor, and although we were away from home less than 48 hours, it felt like a proper holiday and we threw ourselves into getting on as many rides as possible, while taking in shows, meeting characters and eating good food. The two days were so busy we felt fully immersed in the experience and completely switched off from the world outside, which was really important because I had an operation coming up two days after our Special Day and my daughter has an operation in two weeks. We danced our way around the park, shared many family jokes and created memories which will last a lifetime.

We have all learned a great deal from the experience of the past year. We're pleased to say that many of our lockdown service innovations, including Special Treats and Special Days at Home (see p 11), will now become a permanent part of our service model. We're determined that Willow will bounce back more efficient and stronger from the experience of 2020, to deliver many more magic moments and precious memories in the years ahead.

Richard King
Chair of Trustees

ABOUT WILLOW

Willow is the only national charity working with seriously ill young adults aged 16 to 40 to fulfil uplifting and unforgettable Special Days.

Since 1999 Willow has fulfilled more than 17,000 Special Days for young adults living with life-threatening conditions such as cancer, motor neurone disease, cystic fibrosis, muscular dystrophy and Huntington's disease along with many other rare conditions.





Willow was founded in 1999 by former Arsenal goalkeeper and TV presenter, Bob Wilson and his wife Megs, as a lasting memorial to their daughter Anna, who died of cancer aged 31. The inspiration for Willow came from Anna's determination to live every moment to the full, despite the most difficult circumstances.

"Anna's love of life and her own 'special days' taught us that quality of life and quality of time is so very important."

Bob & Megs Wilson, Willow Life Presidents

OUR STRATEGY IN 2020

In 2020 Willow remained committed to fulfilling the third year in our 2018-2020 strategy. Operating during lockdown raised significant challenges to this strategy; however, by adapting and innovating we continued to focus on our three strategic pillars.

Growth

To continue to build and diversify Willow's income streams, focusing on long-term sustainability and to expand and grow our retail revenue.

With the impact of Covid across our income streams and in particular our fundraising events, we needed to rapidly adapt our 2020 fundraising strategy to the new virtual environment. The continued focus on our supporter stewardship framework was vital to keep our donors up to date on the challenges we were facing and support was galvanised through emergency appeals from our major donors, trust and foundation and supporter fundraising networks.

In 2020 we began work on our beneficiary engagement project, ensuring that a Special Day is just the beginning of an individual's relationship with Willow. Through cross-team working we identified the key messages and touchpoints to facilitate long-term engagement and help steward beneficiaries and their families towards becoming long-term supporters. We intend to implement these plans with the reopening of services in 2021.

Impact

To ensure that Special Days remain equally available across the UK to all with eligible conditions and to provide over 1,000 individual Special Days this year.

In 2020, lockdown meant we had to pause our Special Day service. However, we adapted and innovated, creating new types of Special Days that could be taken at home and launching Positivity Packs, a new product designed to bring Willow sunshine to our beneficiaries by post. The success of Positivity Packs laid the foundations for Special Treats, a new permanent part of Willow's service, which we launched in 2021, targeting young adults in end of life and palliative care. To see more about how Willow innovated see pages 10-11.

In Q3 2020 we launched a new, more comprehensive quantitative feedback survey enabling us to share how a Special Day can help beneficiaries to cope with their situation.

Sustainability

To ensure Willow operates with financial sustainability and maximises its resources in an efficient and cost-effective way.

Because of Covid, Willow needed to make changes to its strategy with a particular focus on the short and medium term to ensure it was in the best possible position to navigate the pandemic. Our finances were continually monitored by the Senior Management Team who reported back to the trustees.

Without knowing how long lockdown would last, Willow needed to adapt, remain agile and respond to the changing situation.

Budgeted costs were reduced by £1.5m in response to the expected material effects that Covid would have on our income, this reduction was achieved. Willow also made appropriate use of the government support available, aiming to ensure we could continue to serve our beneficiaries in the absence of our usual fundraising income.

HOW WILLOW RESPONDED TO COVID

2020 was a year of big challenges – for Willow itself, but most importantly for the seriously ill people we support. We had to adjust quickly, but in true Willow fashion, we have managed to meet these challenges and continue to find new ways of providing quality of time and quality of life.

All our efforts were focused on four key priorities:

1. Raising income in different ways
2. Adapting our service to our beneficiaries
3. Maintaining the profile of Willow through agile communications
4. Ensuring organisational sustainability by reviewing our staffing structure and the opportunities for government support

1: Raising income in different ways

In any given year, more than half of Willow's income is dependent on fundraising initiatives that bring people together, whether through our annual ball, runners participating in the London Marathon, our annual clay pigeon shoot day, the Willow 10K run, golf days or 'Take time for Tea' activities in the community. During lockdown, none of these could take place and this, coupled with the closure of our retail shops, had a devastating impact on our fundraising income, and ultimately on our ability to support seriously ill young adults.

At that time, we projected a significant income reduction of £1.7m for the year and we soon realised that for Willow to survive we had to focus on fundraising activities that could be undertaken during lockdown, make cost reductions whilst ensuring our service offering would be Covid-proof in the medium-term.

Our events and communications teams developed new skills so that we had the skillsets and tools to deliver virtual events and digitise fundraising efforts. External partners were extremely helpful and peer-to-peer learning supported this initiative too. This resulted in successful digital campaigns and fundraising events for our supporters such as the Willow Carol Concert and the virtual Willow Ball.

We launched a Covid appeal to which our major supporters responded generously to safeguard our Special Day services.

2: Adapting our service to our beneficiaries

Willow started 2020 positively with over 150 Special Days delivered between January and March. At the end of March as the UK went into national lockdown we had to make the difficult decision to put our Special Day service on hold. Following this, we had some very difficult and emotional conversations with our beneficiaries. Many of the seriously ill young adults Willow supports do not have time on their side, so being asked to wait until we could safely reopen was in many cases devastating news. All Willow beneficiaries are considered high risk, are clinically vulnerable and so had to shield for a significant part of 2020 and into 2021.

As we were unsure when we would be able to restart our service, we focused on how we could safely support these seriously ill young adults during the months that followed. Our only solution was to diversify our service. A small working group from across the charity devised new ways to support our beneficiaries.

Virtual Special Days

Lockdown obviously created challenges for Special Days where we would normally arrange for people to meet their heroes. However, we were able to create a number of virtual Special Days for people like Victoria who is living with bowel cancer and is mum to two Chelsea-mad sons. She was all set to go on her Special Day to Chelsea FC training ground and meet the players when Covid interrupted. To bring joy to Victoria and her boys, we arranged a personalised video message from Chelsea and England star Mason Mount which made Victoria's day. Victoria's Special Day will now take place in 2021.

Willow Positivity Packs



While we couldn't create Special Days, we could still create Special Moments. That's why we teamed up with 'Not Another Bunch Of Flowers' who specialise in thoughtful yet fun gifts and care packages for people living with illness. Together we created Positivity Packs which, in the spirit of Special Days, aimed to bring joy, lift spirits and give young adults and their families something to smile about.

Three themed treat packs were created to suit men, women and families. Aiming to lift spirits, our packs brought joy to the lives of our beneficiaries who felt more isolated due to their condition. During 2020 we supported almost 600 young adults through Positivity Packs.

"I have just received the most wonderful box of goodies! I cannot say how much this means to me; we can have fun as a family while locked away from the outside world! Your kindness is very much appreciated. It is a difficult time, but I know we will come out the other side smiling."

Adapting Special Days

After consulting with our health advisors as lockdown was relaxed, we were able to deliver Special Days again by the autumn of 2020. While it wasn't safe to arrange trips to the theatre or sporting events, we were able to organise short family breaks and Special Days at Home, such as garden parties, a movie night or a pampering hot tub weekend where we delivered a pop-up hot tub, bath robes, slippers, face masks, a manicure kit and a hamper full of spa products.



Jaime is 32, lives in Liverpool and is being treated for lymphoma. In November 2020 he asked Willow for a Special Day at home with a hot tub and take away.

"We had the most brilliant weekend! The biggest thank you to you and the team at Willow for arranging all of this. Joseph was in his element in the hot tub and we had pizza and ice cream on Saturday for dinner, in front of the TV - a real treat for the wee man! We honestly can't thank you enough, it really made the weekend. We are a very happy household!"



Festive Packs

As we approached Christmas 2020 and the UK was under further restrictions, we were conscious that of the c.600 beneficiaries who had had their Special Day postponed across the year, around half of them had been waiting for their Special Day for at least 12 months. Throughout this period we had kept in contact and were aware of the many difficulties people were facing, from shielding and feeling isolated to dealing with treatment and sometimes coping with treatment delays as a result of the pandemic. We wanted them to know they were still very much in our thoughts.

In early December we created Festive Packs to send to these people as a little seasonal treat – complete with a handmade Willow bauble for the tree, made by our Special Day Coordinator, Claire.

"I just wanted to write to thank you for the little parcel of Christmas treats that arrived today. It really was so nice to receive a little treat at a time when I'm performing motherly duties for everyone else! I will enjoy a little bit of me time with the gifts and really do appreciate the time that you've taken to think of me. Thank you!"

Thanks to our supporters, Willow was able to adapt its service to the new normal, while remaining focused on creating magic moments and precious memories.

3: Maintaining Willow's profile through agile communications

Keeping in touch with beneficiaries was key during this uncertain period and we set up a private online support group where beneficiaries shared stories, exchanged peer-to-peer support and had access to blog posts, tips and ideas of activities to do at home. Our Special Day Coordinators stayed in regular contact with beneficiaries throughout.

During this time, it was also important to keep in touch and listen and learn from how others were responding. These conversations often yielded new perspectives and ideas. While our nurse advisers kept their medical professional counterparts informed, our fundraising teams shared updates on adapted services and new virtual fundraising initiatives with our key supporters and charity partners.

We shared news and updates on our services with all our stakeholders via digital channels (regular targeted emails and social media), our printed supporter newsletter and through regular press releases to local media.

4: Ensuring organisational sustainability by reviewing our staffing structure and the opportunities for government support

With the prospect of significant loss of income, it was important that alongside our new fundraising initiatives, we also reviewed our expenditure.

Willow staff agreed to temporary salary reductions from 1 April 2020 through to early 2021. We maximised use of the furlough scheme and we applied successfully for retail grants to support our non-trading retail shops. We also approached landlords to ask for rent reductions during this period.

A review of staffing needs took place and this resulted in a decision to re-structure the team. Unfortunately this meant a loss of 30% of our workforce. This was achieved through a combination of reduced hours and redundancy.

Government Grants received in the year totaled £380k and staffing costs were reduced by over £400k.

We realise that we were not alone in having to make these difficult decisions. So many businesses and individuals have endured a very tough year and we are grateful and humbled by those who were able to help and support Willow during this time. We are hugely grateful to every single one of them.

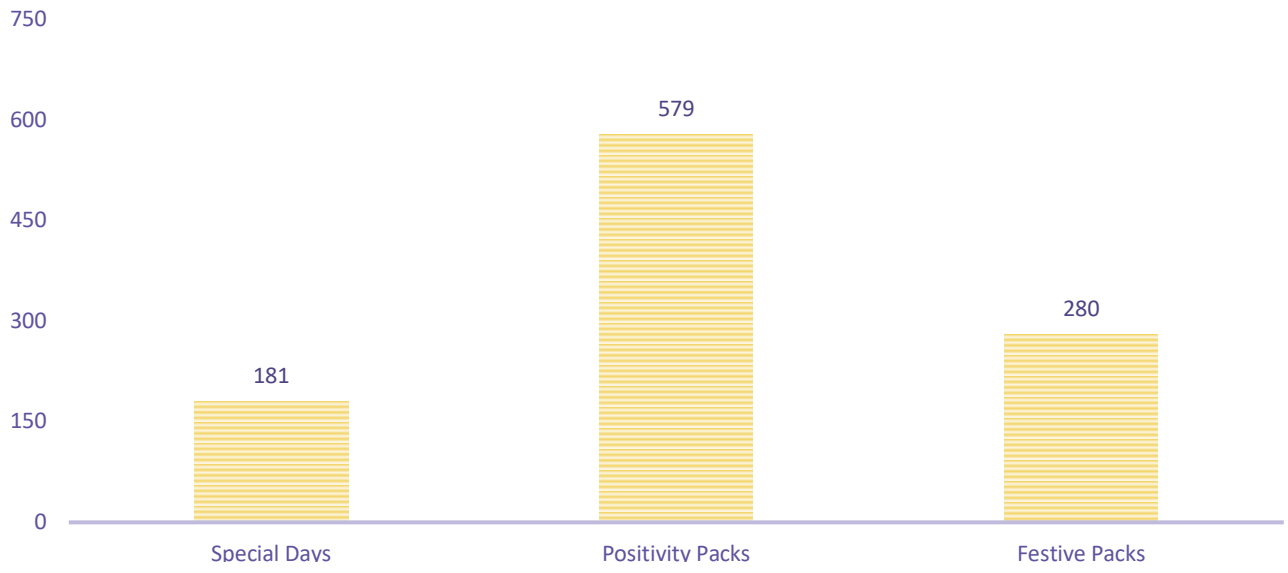
At the end of the year our income was down by 41% compared to budget. Willow has emerged leaner, more efficient and full of creative ideas to support our beneficiaries and raise the funds needed to deliver these plans.

ACHIEVEMENTS AND PERFORMANCE

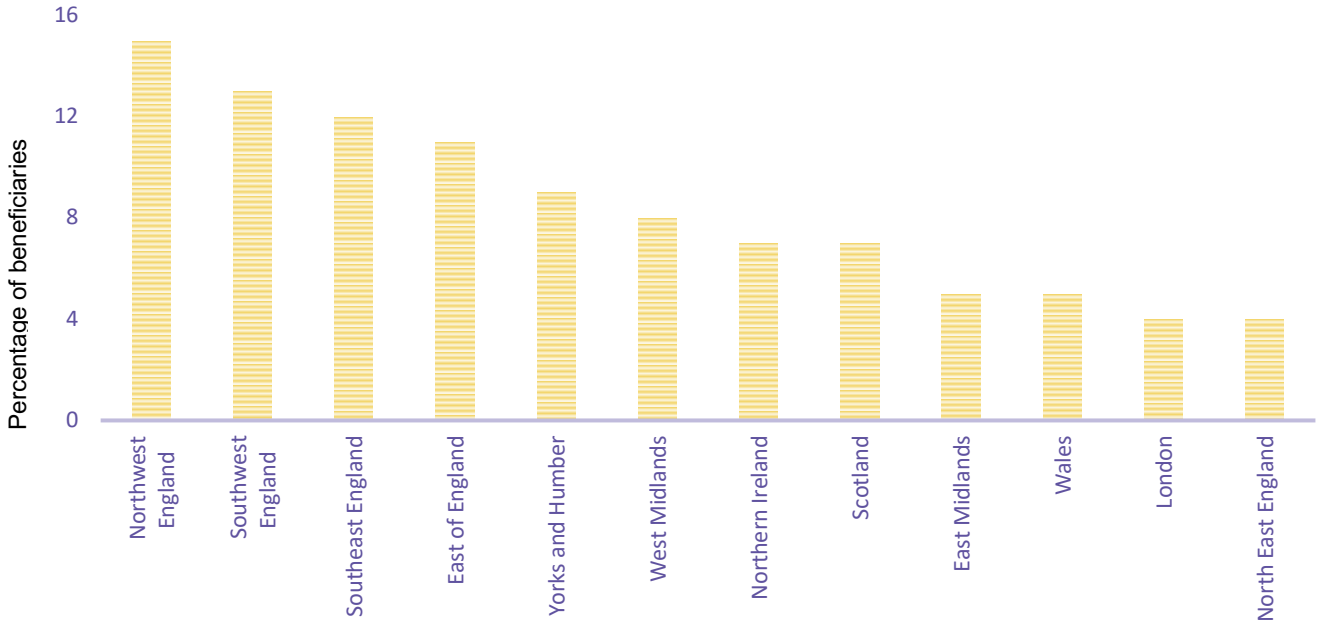
As we had to suspend our usual Special Day service in April 2020, we were unable to fulfil our usual 1,000+ Special Days across the year. However, by adapting, thinking differently and exploring new opportunities, we were able to support our beneficiaries in a number of different ways.

In 2020 Willow supported over 1,000 seriously ill 16-40 year olds

(Special Days included 15 Special Days at Home and 9 Virtual Meet and Greets)



We supported people right across the UK:



Understanding our beneficiaries

One of our aims for 2020 was to introduce a more comprehensive feedback survey to help us to monitor and improve our service following each Special Day. In Q3 2020, we launched a new digital survey which further covers qualitative data and introduces new quantitative data to demonstrate the impact of our Special Day service.

All respondents to date (up to June 2021) have given Willow a 100% Net Promoter Score. This asks 'How likely are you to recommend Willow to a friend or colleague?' This is a 3% increase on our average survey response in 2019.

Beneficiaries also shared how their Special Day helped them and what it provided…

- **73%** of respondents agreed that their Special Day helped them to feel less isolated from loved ones and normal life
- **76%** of respondents agreed that their Special Day helped them to be more hopeful about the future
- **80%** of respondents agreed that their Special Day provided a renewed energy for myself and/or loved ones
- **96%** of respondents agreed that their Special Day provided the opportunity to capture and share precious memories

Katie is 34 and has been diagnosed with breast cancer. She asked for a family break for her and her husband and their young children.



"A huge thank you to Willow for arranging our Special Day at CenterParcs. We were originally supposed to go after I finished chemotherapy earlier in the year, but unfortunately it had to be postponed due to Covid.

It was totally worth the wait and we were able to spend some much needed quality time together as a family. Our daughter was so brave and resilient during my cancer treatment and it's been wonderful to see her so happy and carefree again. We've made memories that will last a lifetime and I will never forget the generosity of this amazing charity. Thank you, thank you, thank you."

FUNDING OUR SERVICES

At Willow we work with thousands of supporters who give generously to make our work a reality. Just as we innovated in our services, in 2020 we also found new ways to engage our supporters, using new technology to reach new audiences in new ways.

Individual Giving

Individual Giving income includes funds from supporters who give regularly, people who respond to our appeals and key supporters who make significant philanthropic donations.

2020 was an extremely challenging year for individual giving as economic uncertainty saw individual giving down across the sector. During 2020, Willow supporters donated through a wide variety of activities and gifts including our appeals, newsletter and our raffle. We launched a Covid appeal to our major supporters who responded positively and generously helping to launch our Positivity Packs while safeguarding the future of Special Days.

We are incredibly grateful to all our regular donors who continued to give throughout lockdown. Their dedication made it possible for Willow to continue its vital work through this extremely difficult period.

Trusts and Foundations

In a challenging year for fundraising, we were grateful for the trusts and foundations who continued to believe in and support Willow's work. Our loyal trusts and foundations were interested to learn that Willow was able to adapt its services and offer continued support to seriously ill young adults during lockdown. We kept in regular contact, to share how we were responding to the testing times that Covid presented us with. Many trusts understood the urgency of our funding requests, gave generously and offered flexibility where needed.

Our innovations in service provision, in particular our Positivity Packs and Special Days at Home also meant that we were able to access new funding opportunities.

Community and challenge



Ed Gamwells (left) and Eirra (centre, right) with our founders Bob and Megs Wilson, recording our virtual Christmas Carol Concert

Community and challenge fundraising were particularly hard hit by lockdown, and large parts of our regular calendar of events and activities had to be adapted or cancelled. However, our supporters continued to amaze us. The 2.6 Challenge was initiated to try to replace some of the lost income from the cancelled London Marathon, and Willow supporters had fun designing their own challenges, including Naomi, who knitted 26 mindful mice.

Throughout 2020, Willow's supporters were tireless, whether it was taking part in our virtual Take Time for Tea event, organising online concerts or taking part in online quizzes with family and friends. One particular fundraiser stole our hearts: 12-year-old Riley vowed to shave his head in solidarity with his dad Rob who was having treatment for bowel cancer. Young Riley made his dad very proud by raising funds for Willow.

The event that summed up 2020 in many ways was our Christmas Carol Concert. Lockdown meant we couldn't have our event at St Albans Cathedral as usual, but by taking the event

online, and calling upon some very talented supporters, we were able to share the evening with Willow supporters all over the world.

Corporate Partnerships

Lockdown meant that our partners had to be creative and go the extra mile in fundraising: quite literally in the case of Pen Underwriting, who chose Willow as one of their charities of the year. Staff from across Pen took part in a series of fundraising activities and lockdown challenges, including one that saw them choose to walk, jog or cycle the 5,501 miles from their London office to Pune in India in just 14 days. And they did it in style, racking up 5,685 miles in total.

We were delighted to once again partner with Advent of Change, the philanthropic company, which has developed a full range of festive goods including advent calendars, candles and Christmas crackers. Sales of these products raised a record-breaking amount in December which was distributed between 24 good causes.

We were also incredibly grateful to ICAP who chose Willow to be one of the organisations to benefit from their annual charity day, where the international broker dealer donates 100% of its revenues and commissions.

Special Events for Special Days



Dermot O'Leary, host of the 2020 London Football Awards, with Patrick Smith from Frogmore, Tammy Abraham and Ashley Cole

We were fortunate that the 2020 London Football Awards took place before lockdown began in earnest. We were delighted to welcome current stars and legends to our new home at the London Roundhouse for an event hosted by Dermot O'Leary. As lockdown continued, it became clear that it would not be possible to hold our 2021 awards in person, but our events team responded and innovated to create an immersive virtual event that continued to engage players, legends, clubs and key partners, and we will look to build on these learnings in future events.

The Willow Ball also went online, becoming an innovative, immersive experience. We were delighted to be joined by many familiar faces for some very special performances by Mica Paris, Jools Holland and Ella Henderson. Including an incredible song by Willow beneficiary Olivia.

Alongside our own events, we also benefit from events organised by our supporters. Folk by the Oak is an annual music festival that takes place in the grounds of Hatfield House every July and has supported Willow since it was founded in 2008. When it became clear that the

event couldn't take place as usual in 2020, the organisers took the event online, with specially recorded performances from folk stars including Richard Thompson and Mary Chapin Carpenter, and Willow beneficiary, Eirra reaching a global audience. Despite it being a virtual event, we're delighted that Folk by the Oak fans were just as generous as in previous years.

Shopping for Special Days

Our retail shops in Hertfordshire not only form a vital revenue stream to fund our services, but are also an important channel for us to raise awareness of our work.

In 2020 we closed our Barnet branch, reducing the number of Willow shops from six to five. We had planned to expand by opening a further two shops, however these plans were put on hold due to the uncertainty created by Covid. With retail performing strongly since the 2021 reopening, we hope to return to our expansion plans in 2022.

Lockdown meant that they were closed for 22 weeks of 2020, and during these periods we made use of government support to furlough staff and support shops forced to close.

However, with the help of our volunteers we were able to continue to engage loyal supporters throughout this period, taking advantage of lockdown clear-outs providing valuable stock donations which enabled us to deliver record breaking sales when we were able to trade again.

Income Classification per Accounting Standards

Income Stream	Total	Donations, legacies and government grants	Fundraising events	Retail shops	Other trading activities	Investments
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Special Events	503	78	425			
Community & Challenge	194	194				
Retail	519	230		289		
Corporate Partnerships	120	120				
Trusts & Foundations	278	278				
Individual Giving	325	308			17	
Investments	46					46
Other	188	188				
Total	**2,173**	**1,396**	**425**	**289**	**17**	**46**

PLANS FOR THE FUTURE

Although 2020 was a challenging year, the way Willow responded and innovated taught us important lessons going forward, and this will feed into our three year plan to 2023.

In particular we have discovered the importance of being flexible and agile in response to the needs of our beneficiaries. One size does not fit all, especially with regards to people living with serious illness, for whom a trip to a holiday park or an attraction may not be possible or suitable.

The success of our Special Days at Home and Positivity Packs have given us important pointers towards a broader, more flexible service launched in 2021.

Special Treats in particular allow Willow to reach a new demographic of people whose care has been severely interrupted during lockdown, work in partnership with key stakeholders such as Hospice UK, and fulfil our mission in a new and innovative way.

In 2021 we have launched our new service model, and are developing a new website for Willow, which will allow us to show our impact and tell our story in fresh ways, and engage even more with beneficiaries, supporters and partners.

As restrictions are lifted we are also getting our fundraising events programme back up and running, with plans for exciting new events in addition to our regular events calendar, that includes the Willow Ball, Carol Concert, London Football Awards and community challenge events.

Stewardship of our supporters has been crucial over this challenging period and will remain so to ensure our vital supporters are kept fully up to date on Willow activities and remain engaged. In the coming year we plan to focus on building the base of our fundraising pyramid, with a renewed focus on regular and individual giving programmes, and a particular emphasis on engaging beneficiaries to become fundraisers and supporters.

Resuming our strategy for retail growth will also feed into longer term sustainability for Willow. Throughout all our activities, continuing evaluation will ensure we are focussing resources on activities that deliver a good return on investment.



Kimberley is 35, lives in Belfast and has been diagnosed with cervical cancer. She chose to go to an aqua park resort for her Special Day with her family in November 2020.

“Cancer stops your whole life. It has been a whirlwind: I had to hand over my hairdressing business to an employee to run and also accept that I wouldn't see my children very much whilst going through treatment.

We didn't get a lot of time to be together during my treatment, it was very numbing and took months to get to a stage of acceptance and fight as the diagnosis was a massive shock.

Our Special Day was a chance to scoop the kids up and have them all to ourselves for a few days, a reassurance that although things were a little unsettled, we had each other. We had a lovely time in our forest dome and made the most of every moment. I will be eternally grateful because I don't think we would have managed anything on this scale if it wasn't for the strength and support from Willow.

Spending so long shielding is very hard on the mind, so having a Special Day made us more hopeful for the future.”

A VERY SPECIAL TEAM

During 2020 we had to challenge ourselves to deliver more with less. We were able to take advantage of the government's furlough scheme, staff took a pay reduction, and many reduced their hours. We are grateful to the whole team, who, in very challenging circumstances, saw Willow respond, adapt and innovate to make sure we continued to create magic moments and precious memories for our beneficiaries.

Staff Remuneration Policy

The decision regarding pay increases is primarily informed by benchmarking our salaries through participation in the XpertHR Voluntary Sector Salary Survey and specifically for Retail, in the participation and reporting of the Charity Retail Association.

Our priority is to ensure that salaries are paid at market level rates and we will first address any salary anomalies where this is not the case. Consideration will then be given to individual performance and position within an employee's pay band.

Pay increases for any individual above 10% requires further higher level approval from the Governance Committee – however this year there were no pay rises over 10%.

The pay of the Chief Executive and Leadership Team is reviewed and approved by the Governance Committee.

New staff are offered a salary that takes into account the skills and experience they bring to the role, the responsibility level and job function of the role, pay equality, and affordability.

The pay of a new employee will not generally be reviewed in their first year.

Any member of staff subject to poor performance or misconduct procedures would not be eligible for a review until the expiry of any warning.

Any staff employed on a fixed term contract for a period of one year or less would also not be eligible for a review.

The same terms and conditions and pension provisions apply to all staff.

Remuneration

The Trustee Board oversees the pay, pension and benefits for the Chief Executive and Senior Leadership team through the Governance Committee.

During the year, we continued to participate in the XpertHR Voluntary Sector Salary Survey and specifically for Retail the Charity Retail Association Workforce Survey to inform any pay awards for our staff. Our key priority in the last year, was to restore pay to 100% and we are pleased to confirm that we achieved this in early 2021.

Volunteers

2020 was a challenging year for all, including our volunteers. With our retail stores closing for large periods of time and our events on hold in 2020, our volunteering numbers reduced significantly. However, we were extremely fortunate that some of our volunteers made the switch to supporting us remotely and we were also able to welcome new volunteers remotely. Our volunteers played a significant part in assisting the charity over the course of the year and we are delighted that so many stayed with us during these uncertain times. Despite the challenges of 2020, we were still lucky enough to be gifted with nearly 3,200 hours by our volunteers in 2020 which we estimate is an equivalent value to Willow of £28,500.

During 2021, Willow has taken advantage of the government funded Kickstart Scheme to provide valuable staffing support in the shops where volunteer numbers had reduced due to the Covid situation.

We now see continued opportunities for remote volunteering with Willow in conjunction with getting back to our in-person volunteering at shops, events and in our office in late 2021, meaning we can offer a broader experience to our volunteers and to work with some who would not previously have been able to support Willow in the way most suitable for them.

INCOME AND EXPENDITURE

Income

2020 Net Income after spending on charitable services and fundraising was an increase on 2019, resulting in a surplus of £108,000.

Total income raised in 2020 was £2,173,000, a reduction of £1,265,000 (37%) on 2019, due to the financial impact of Covid and the associated government measures to control it.

Income from fundraising events decreased against the prior year by £641,000, representing a 60% reduction, this was due to restrictions on holding events.

Retail shop sales reduced by £108,000 (27%), as we had to close our shops to adhere to various local and national lockdowns.

This has been partially covered by some limited short-term funding received from the government in the form of Furlough and Retail support - this totalled £380,000 in the year.

Expenditure

Expenditure on raising funds reduced against last year by £798,000, representing a reduction of 38%.

Expenditure on Fundraising Events reduced by £357,000 / 69% due to restrictions on holding events.

Expenditure on Retail reduced by £93,000 / 35% as we restructured our Retail Team, reduced variable costs and sought support from our landlords whilst we were unable to trade.

Expenditure on our charitable services reduced by £735,000, representing a 49% decrease as we sadly had to reduce our services to protect our beneficiaries.

Willow's fundraising model

Large fundraising events have, for many years provided a significant and important proportion of Willow funds.

This has been a legacy from the charity's beginning where the Founders Bob and Megs Wilson were able to use their sporting connections and other relationships to raise large sums for Willow. These events continue to provide a valuable source of income – but also carry significant cost and risk, whilst reducing our charitable spend ratio.

Given the current situation with Covid and the social distancing measures in place, this has had a significant impact on income from Willow events in 2020 and whilst costs have been reduced accordingly, like many other charities in a similar position, our charitable spend ratios have reduced in the short term as we deal with the impact of the pandemic.

A key focus for Willow, therefore is to achieve a more sustainable and balanced, fundraising model. We continue to develop other long term sustainable ways to raise funds, which will help Willow to move towards better fundraising ratios, for example developing our trusts and foundations, legacy and philanthropy programs.

Reserves policy

All charities are required to consider how much they need to hold in reserves.

The extent depends upon the scale and nature of the charity's activities.

At Willow we hold reserves to ensure that in the event of a downturn in income or substantial fluctuations in cash flow, the charity can continue to meet its commitments to Special Days and to operate at least 6 months.

Willow holds restricted and unrestricted reserve funds. Unrestricted funds are composed of designated funds held for specific purposes and general funds that can be used for any activity in pursuit of the charitable objectives of Willow.

Restricted funds are outstanding balances on funds that have been donated for a specific purpose.

At 31 December 2020 Willow held the following levels of reserves:

Unrestricted funds:	**Dec-20**	**Dec-19**
General funds	1,788,786	1,199,715
Designated funds:		
Fixed Assets Reserve	36,942	66,016
Special Days Reserve	213,124	571,709
Investment Reserve	468,467	450,892
Restricted funds	283,150	174,733
Total funds	**2,790,469**	**2,463,065**

Our designated reserves at the end of the year totalled £719,000 (2019 £1,089,000), they are made up from:

- Special Days Reserve £213,000 (2019 £571,000) a reserve to specifically cover the costs of future commitments to Special Days which can often be booked up to six months in advance. The size of the reserve is set at the direct cost of delivering 50% of the annual Special Days planned.
- Fixed Assets Reserve £37,000 (2019 £66,000) this reserve allows for the depreciation of fixed assets and is equal to the book value of the fixed assets in the group.
- Investment Reserve £468,000 (2019 £451,000) represents 20% of our investment portfolio and allows for fluctuations in the market value of investments.
- General Reserve £1,788,000 (2019 £1,200,000) is the balance of unrestricted funds, at year end it represented 13 months of operational expenditure.

Investments

Willow's governing document permits the trustees to invest the assets of the charity. These investments give assurance that Willow can continue to effectively operate in the short term in the event of a downturn in income.

The Finance & Audit Committee review investment performance quarterly and meet with the Investment Manager, Quilter Cheviot Investment Management, every 6 months to review investment strategy.

The Manager operates within an agreed asset allocation and guidelines on the size of individual holdings.

As a charity concerned with seriously ill young people, investment in manufacturers of tobacco is expressly prohibited.

Our investments were valued at £2,342,000 on 31 December 2020 (£2,254,000 on 31 December 2019), an increase of 4%.

Principle risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance.

In managing risk, trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken.

It also means that trustees can make the most of opportunities and develop them with the confidence that any risks will be managed.

How we manage risk

Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur.

The Senior Management team regularly reviews all existing risks on the register as well as emerging risks and actions to mitigate risks.

The key risks are reviewed quarterly at each Finance and Audit Committee meeting and the full risk register is reviewed annually by the trustees.

The trustees are satisfied that key risks have been identified; that there is sufficient internal accountability and control and that mitigating actions have been identified for each risk. All risks have been reviewed in the light of Covid.

Risks rated high in probability of occurrence and impact, as at December 2020.

1. Failure to achieve budgeted income to support organizational plan
2. Loss on investments
3. Loss of Major Donors

What we do to manage these risks

1. Diversify income streams
2. Annual income generation activity plan monitored monthly
3. Income pipelines carefully monitored

4. Investment Reserves
5. Professional Investment Managers
6. Investment performance regularly reviewed by Finance & Audit Committee
7. Bi-annual meeting with Investment Managers
8. Careful and active stewardship of existing major donors
9. Increase numbers of philanthropic and transactional partners
10. Decrease reliance on major donors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOW FOUNDATION

Opinion

We have audited the financial statements of Willow Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 of the parent charitable company's affairs as at 31 December 2020 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

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

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

We have nothing to report in this regard.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements

- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) 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 financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the 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 as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
    - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
    - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the

financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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.

Judith Miller (Senior statutory auditor)

14 September 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

WILLOW FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	**2020 Total £**	2019 Total £
Income from:					
Donations and legacies	3	1,010,351	386,113	**1,396,464**	1,895,616
Fundraising events	4	424,540	-	**424,540**	1,065,747
Retail shop sales	4	289,115	-	**289,115**	397,233
Other trading activities	4	16,496	-	**16,496**	26,077
Investments	5	46,338	-	**46,338**	52,926
Total income		**1,786,840**	**386,113**	**2,172,953**	3,437,599
Expenditure on:					
Raising funds	6	1,282,780	7,276	**1,290,056**	2,088,166
Charitable activities: Special Days	6	487,799	185,443	**673,242**	1,509,905
Charitable activities: Treat Packs	6	17,016	84,977	**101,993**	-
Total expenditure		**1,787,595**	**277,696**	**2,065,291**	3,598,071
Net income expenditure before net gains / (losses) on investments	7	(755)	108,417	**107,662**	(160,472)
Net gains on investments	13	224,124	**-**	**224,124**	299,537
Net income for the year before other recognised gains and losses		223,369	108,417	**331,786**	139,065
Gains / (losses) on sale of fixed assets		(4,382)	-	**(4,382)**	-
Net movement in funds		218,987	108,417	**327,404**	139,065
Reconciliation of funds:					
Total funds brought forward		2,288,332	174,733	**2,463,065**	2,324,000
Total funds carried forward		**2,507,319**	**283,150**	**2,790,469**	2,463,065

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 22 to the financial statements.

WILLOW FOUNDATION
PARENT CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	**2020 Total £**	2019 Total £
Income from:					
Donations and legacies	3	1,010,351	386,113	**1,396,464**	1,895,616
Fundraising events	4	424,540	-	**424,540**	1,065,747
Retail shop sales	4	289,115	-	**289,115**	397,233
Other trading activities	4	16,496	-	**16,496**	26,077
Investments	5	46,338	-	**46,338**	52,926
Total income		**1,786,840**	**386,113**	**2,172,953**	3,437,599
Expenditure on:					
Raising funds	6	1,282,780	7,276	**1,290,056**	2,088,166
Charitable activities: Special Days	6	487,799	185,443	**673,242**	1,509,905
Charitable activities: Treat Packs	6	17,016	84,977	**101,993**	-
Total expenditure		**1,787,595**	**277,696**	**2,065,291**	3,598,071
Net income / (expenditure) before net gains / (losses) on investments		(755)	108,417	**107,662**	(160,472)
Net gains on investments	13	224,124	**-**	**224,124**	299,537
Net income for the year before other recognised gains and losses		223,369	108,417	**331,786**	139,065
Gains / (losses) on sale of fixed assets		(4,382)	-	**(4,382)**	-
Loss on transfer of reserves from Willow Retail		-	-	**-**	(228,253)
Net movement in funds		218,987	108,417	**327,404**	(89,188)
Reconciliation of funds: Total funds brought forward		2,288,330	174,733	**2,463,063**	2,552,251
Total funds carried forward		**2,507,317**	**283,150**	**2,790,467**	2,463,063

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 22 to the financial statements.

WILLOW FOUNDATION
BALANCE SHEETS

As at 31 December 2020

	Note	The group 2020 £	The group 2019 £	The charity 2020 £	The charity 2019 £
Fixed assets:					
Tangible assets	12	**36,942**	66,016	**36,942**	66,016
Investments	13	**2,342,334**	2,254,460	**2,342,334**	2,254,460
		2,379,276	2,320,476	**2,379,276**	2,320,476
Current assets:					
Stock	15	**7,072**	6,863	**7,072**	6,863
Debtors	16	**318,755**	372,355	**319,254**	374,654
Cash at bank and in hand		**775,228**	170,215	**774,727**	167,914
		1,101,055	549,433	**1,101,053**	549,431
Creditors: amounts falling due within one year	17	**689,862**	406,844	**689,862**	406,844
Net current assets		**411,193**	142,589	**411,191**	142,587
Total net assets		**2,790,469**	2,463,065	**2,790,467**	2,463,063
Funds:	22				
Restricted income funds		**283,150**	174,733	**283,150**	174,733
Unrestricted income funds:					
Designated funds		**718,533**	1,088,617	**718,533**	1,088,617
General funds		**1,788,786**	1,199,715	**1,788,784**	1,199,713
Total unrestricted funds		**2,507,319**	2,288,332	**2,507,317**	2,288,330
Total funds		**2,790,469**	2,463,065	**2,790,467**	2,463,063

Approved by the trustees on 31 August 2021 and signed on their behalf by

Richard King, Chair of Trustees
Company no. 5207070

WILLOW FOUNDATION
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Note	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	23		**432,097**		77,826
Cash flows from investing activities:					
Dividends, interest and rents from investments		**46,338**		52,926	
Purchase of fixed assets		**(9,672)**		(41,288)	
Proceeds from sale of investments		**788,746**		282,192	
Purchase of investments		**(583,320)**		(481,808)	
(Increase)/decrease in cash in investment portfolio		**(69,176)**		159,464	
Net cash provided by / (used in) investing activities			**172,916**		(28,514)
Change in cash and cash equivalents in the year			**605,013**		49,312
Cash and cash equivalents at the beginning of the year			**170,215**		120,903
Cash and cash equivalents at the year-end			**775,228**		170,215

WILLOW FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1: Accounting policies

a) Statutory information

Willow Foundation is a charitable company limited by guarantee and is incorporated in the UK. The registered office address is Gate House, Fretherne Rd, Welwyn Garden City AL8 6NS.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Willow Events Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's financial statements, which include a statement of financial activities as well as a balance sheet.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on the basis that Willow Foundation has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. Covid-19 significantly affected activities during 2020 and

has continued to impact activities during 2021. However the going concern basis is still appropriate because:

- The charity shops were closed during lockdowns but have now reopened with sales back at or above their pre-lockdown level. Fundraising income has reduced and is at a lower level during 2021 but the charity has scaled back spend to allow for this;
- A significant proportion of expenditure is discretionary. The charity scaled back its Special Day services and restructured in late 2020, making a number of roles redundant;
- The unrestricted general reserve remains above target level;
- The Group has a high level of valuable assets including its investment portfolio. Investments suffered a large decrease in value early in 2020 but this was all recovered by the end of the year;
- The cash position is positive. A bank loan for £450,000 was drawn down in late 2020 and ensures that Willow has cash available to support its operations.

Management have undertaken detailed forecasting and sensitivity analysis to December 2022 and the trustees have considered uncertainties and liquidity risks. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered

probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so please refer to the trustees' annual report for more information about their contribution.

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

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes without any more specific purpose being laid down by the donor.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities within the charitable company and its subsidiaries with a fundraising purpose. It includes allocated support costs.
- Expenditure on charitable activities includes the costs of delivering and promoting services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of governance and support, including staff costs within these functions, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity and is reviewed each year.

- Charitable activity - provision of Special Days 46%
- Charitable activity - provision of Treat Packs (Positivity Packs & Festive Packs) 5%
- Generating funds 49%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Land and buildings 50 years
- Leasehold improvements term of lease
- Furniture, equipment and software 3 years

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Stocks

Purchased stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are not included in the financial statements until they are sold or distributed.

p) Debtors

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

q) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held by our investment managers for re-investment, which are included in the value of investments.

r) Creditors and provisions

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

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

t) Pensions

The charity's policy is to operate a group personal pension scheme compliant with auto-enrolment requirements and to contribute a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice as long as the employee matches the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

2: Detailed comparatives for the statement of financial activities

	Unrestricted	Restricted	2019 Total
The Group	£	£	£
Income from:			
Donations and legacies	1,299,805	595,811	1,895,616
Fundraising events	1,065,747	-	1,065,747
Retail shop sales	397,233	-	397,233
Other trading activities	26,077	-	26,077
Investments	52,926	-	52,926
Total income	2,841,788	595,811	3,437,599
Expenditure on:			
Raising funds in the parent charity	2,083,166	5,000	2,088,166
Charitable activities: Special Days	1,090,690	419,215	1,509,905
Total expenditure	3,173,856	424,215	3,598,071
Net expenditure before net gains on investments	(332,068)	171,596	(160,472)
Net gains on investments	299,537	-	299,537
Net movement in funds	(32,531)	171,596	139,065
Reconciliation of funds:			
Total funds brought forward	2,320,863	3,137	2,324,000
Total funds carried forward	2,288,332	174,733	2,463,065

Detailed comparatives for the statement of financial activities (continued)

The Charity	Unrestricted £	Restricted £	Total £
Income from:			
Other donations and legacies	1,299,805	595,811	1,895,616
Other trading activities	1,489,057	-	1,489,057
Investments	52,926	-	52,926
Total income	2,841,788	595,811	3,437,599
Expenditure on:			
Raising funds	2,083,166	5,000	2,088,166
Charitable activities: Special Days	1,090,690	419,215	1,509,905
Total expenditure	3,173,856	424,215	3,598,071
Net income / (expenditure) for the year before net gains on investments	(332,068)	171,596	(160,472)
Net gains on investments	299,537	-	299,537
Net income / (expenditure) for the year before other recognised gains and losses	(32,531)	171,596	139,065
Loss on transfer of reserves from Willow Retail	(228,253)	-	(228,253)
Net movement in funds	(260,784)	171,596	(89,188)
Reconciliation of funds:			
Total funds brought forward	2,549,114	3,137	2,552,251
Total funds carried forward	2,288,330	174,733	2,463,063

3: Income from donations and legacies

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£	£	£	£	£	£
Gifts	629,632	344,690	**974,322**	1,298,519	342,446	1,640,965
Government grants	380,309	-	**380,309**	-	-	-
Legacies	410	-	**410**	1,286	-	1,286
Donated services	-	41,423	**41,423**	-	253,365	253,365
	1,010,351	386,113	**1,396,464**	1,299,805	595,811	1,895,616

All donations and legacies were received by the parent charity. During 2020, government grants consisted of £251,641 received from the Coronavirus Job Retention Scheme and £128,668 received from the Retail, Hospitality and Leisure Grant Fund.

4: Income from other trading activities

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£	£	£	£	£	£
Fundraising events	424,540	-	**424,540**	1,065,747	-	1,065,747
Retail shops	289,115	-	**289,115**	397,233	-	397,233
Sale of merchandise	4,395	-	**4,395**	7,134	-	7,134
Raffles and other trading	12,101	-	**12,101**	18,943	-	18,943
	730,151	-	**730,151**	1,489,057	-	1,489,057

All income was received by the parent charity.

5: Income from investments

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£	£	£	£	£	£
Investment portfolio	46,187	-	**46,187**	52,624	-	52,624
Bank interest	151	-	**151**	302	-	302
	46,338	-	**46,338**	52,926	-	52,926

All investment portfolio income and bank interest was received in the parent charity.

6a: Analysis of expenditure (current year)

	Cost of raising funds	Charitable activities: Special Days	Charitable activities: Treat Packs	Governance costs	Support costs	**2020 Total**	2019 Total
	£	£	£	£	£	**£**	£
The Group and Charity							
Staff costs (Note 8)	628,077	288,012	28,516	-	327,108	**1,271,713**	1,549,735
Charitable activities	-	138,236	46,631	-	-	**184,867**	806,107
Generating voluntary income	49,964	-	-	-	-	**49,964**	146,140
Fundraising events	158,315	-	-	-	-	**158,315**	515,169
Merchandising and raffles	4,315	-	-	-	-	**4,315**	9,045
Running retail shops	174,163	-	-	-	-	**174,163**	266,826
Investment management	12,120	-	-	-	-	**12,120**	12,788
Audit and accountancy	-	-	-	11,700	-	**11,700**	11,700
Other governance costs	-	-	-	3,908	-	**3,908**	5,441
Communications	-	-	-	-	19,194	**19,194**	28,824
Premises, facilities & IT	-	-	-	-	149,483	**149,483**	217,701
General management & HR	-	-	-	-	15,275	**15,275**	15,663
Financial administration	-	-	-	-	10,274	**10,274**	12,932
	1,026,954	426,248	75,147	15,608	521,334	**2,065,291**	3,598,071
Support costs	255,454	239,814	26,066	-	(521,334)	**-**	-
Governance costs	7,648	7,180	780	(15,608)	-	**-**	-
Total expenditure 2020	**1,290,056**	**673,242**	**101,993**	**-**	**-**	**2,065,291**	
Total expenditure 2019	2,088,166	1,509,905	-	-	-		**3,598,071**

Of the total expenditure, £1,787,595 was unrestricted (2019: £3,173,856) and £277,696 was restricted (2019: £424,215).

On 1st January 2019, the activity of Willow Retail Ltd, a subsidiary of Willow Foundation, was transferred over to Willow Foundation. The retail activity is now operated by the charity directly.

6b: Analysis of expenditure (prior year)

	Cost of raising funds	Charitable activities: Special Days	Governance costs	Support costs	**2019 Total**
	£	£	£	£	**£**
The Group					
Staff costs (Note 8)	741,170	337,310	-	471,255	**1,549,735**
Providing Special Days	-	806,107	-	-	**806,107**
Generating voluntary income	146,140	-	-	-	**146,140**
Fundraising events	515,169	-	-	-	**515,169**
Merchandising and raffles	9,045	-	-	-	**9,045**
Running retail shops	266,826	-	-	-	**266,826**
Investment management	12,788	-	-	-	**12,788**
Audit and accountancy	-	-	11,700	-	**11,700**
Other governance costs	-	-	5,441	-	**5,441**
Communications	-	-	-	28,824	**28,824**
Premises, facilities & IT	-	-	-	217,701	**217,701**
General management & HR	-	-	-	15,663	**15,663**
Financial administration	-	-	-	12,932	**12,932**
	1,691,138	1,143,417	17,141	746,375	**3,598,071**
Support costs	388,115	358,260	-	(746,375)	**-**
Governance costs	8,913	8,228	(17,141)	-	**-**
Total expenditure 2019	**2,088,166**	**1,509,905**	**-**	**-**	**3,598,071**
Total expenditure 2018	2,705,387	1,584,956	-	-	**4,290,343**

Of the total expenditure, £3,173,856 was unrestricted and £424,215 was restricted.

6b: Analysis of expenditure (prior year continued)

	Cost of raising funds	Charitable activities: Special Days	Governance costs	Support costs	**2019 Total**
	£	£	£	£	**£**
The Charity					
Staff costs (Note 8)	741,170	337,310	-	471,255	**1,549,735**
Providing Special Days	-	806,107	-	-	**806,107**
Generating voluntary income	146,140	-	-	-	**146,140**
Fundraising events	515,169	-	-	-	**515,169**
Merchandising and raffles	9,045	-	-	-	**9,045**
Running retail shops	266,826	-	-	-	**266,826**
Investment management	12,788	-	-	-	**12,788**
Audit and accountancy	-	-	11,700	-	**11,700**
Other governance costs	-	-	5,441	-	**5,441**
Communications	-	-	-	28,824	**28,824**
Premises, facilities & IT	-	-	-	217,701	**217,701**
General management & HR	-	-	-	15,663	**15,663**
Financial administration	-	-	-	12,932	**12,932**
	1,691,138	1,143,417	17,141	746,375	**3,598,071**
Support costs	388,115	358,260	-	(746,375)	**-**
Governance costs	8,913	8,228	(17,141)	-	**-**
Total expenditure 2019	**2,088,166**	**1,509,905**	**-**	**-**	**3,598,071**
Total expenditure 2018	2,372,776	1,584,956	-	-	**3,957,732**

On 1st January 2019, the activity of Willow Retail Ltd, a subsidiary of Willow Foundation, was transferred over to Willow Foundation. The retail activity is now operated by the charity directly.

7: Net incoming resources for the year

This is stated after charging / crediting:

	The group		The charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Depreciation	**34,364**	51,783	**34,364**	51,783
Profit / (loss) on disposal of fixed assets	**(4,382)**	-	**(4,382)**	-
Operating lease rentals: Property	**150,557**	183,466	**150,557**	183,466
Operating lease rentals: Vehicles	**3,540**	3,320	**3,540**	3,320
Auditors' remuneration (excluding VAT):				
Audit	**9,750**	9,750	**9,750**	9,750
Other services	**2,650**	2,250	**2,650**	1,600

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

Staff costs were as follows:

	The group and charity	
	2020	2019
	£	£
Salaries and wages	**1,055,778**	1,301,848
Redundancy and termination costs	**30,605**	10,394
Social security costs	**87,417**	113,939
Employer's contribution to defined contribution pension schemes	**90,390**	116,278
Other forms of employee benefits	**7,523**	7,276
	1,271,713	1,549,735

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	The group and charity	
	2020	2019
	No.	No.
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**-**	1

The total employee benefits including NI and pension contributions of the key management personnel were £184,792 between 3 senior staff (2019: £212,718 between 3 senior staff).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses representing the payment or reimbursement of travel and subsistence costs are potentially payable but none were claimed in 2020 (2019: £nil).

9: Staff numbers

The average number of employees during the year was as follows:

Headcount basis is the average number employed during the year.

	The group and charity	
	2020	2019
	No.	No.
Full-time equivalent staff numbers		
Raising funds - voluntary income	**6.9**	8.8
Raising funds - events sales	**3.8**	4.7
Raising funds - retail shop sales	**11.2**	11.2
Charitable activity: Special Days	**10.1**	12.5
Charitable activity: Treat Packs	**1.0**	-
Support	**5.7**	7.7
Governance	**1.0**	1.0
	39.7	45.9
Headcount	**52**	56
Full-time staff	**16**	26
Part-time staff	**36**	30
	52	56

10: Related party transactions

There are no related party transactions to disclose for 2020 (2019: none).

11: Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Willow Events Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil.
No UK corporation tax was payable in 2020 (2019: £nil).

12: Tangible fixed assets

The group and charity	Leasehold improvements	Fixtures & fittings	Equipment, furniture & software	Total
	£	£	£	£
Cost				
At the start of the year	236,050	36,519	190,123	**462,692**
Additions in year	-	480	9,192	**9,672**
Disposals in year	(65,095)	(1,182)	(22,524)	**(88,801)**
At the end of the year	170,955	35,817	176,791	**383,563**
Depreciation				
At the start of the year	201,202	22,149	173,325	**396,676**
Charge for the year	21,001	4,595	8,768	**34,364**
Eliminated on disposal	(61,600)	(295)	(22,524)	**(84,419)**
At the end of the year	160,603	26,449	159,569	**346,621**
Net book value				
At the end of the year	10,352	9,368	17,222	**36,942**
At the start of the year	34,848	14,370	16,798	**66,016**

All of the above assets are held in the charity and used for charitable purposes.

13: Listed investments

	The group and charity	
	2020	2019
	£	£
Fair value at the start of the year	**2,210,230**	1,711,077
Additions at cost	**583,320**	481,808
Disposal proceeds	**(788,746)**	(282,192)
Net gain / (loss) on change in fair value	**224,124**	299,537
Fair value at the end of the year	**2,228,928**	2,210,230
Cash held by investment broker pending reinvestment	**113,406**	44,230
Fair value at the end of the year including cash	**2,342,334**	2,254,460

Investments comprise:

	The group and charity	
	2020	2019
	£	£
Equity shares listed in the UK	**491,080**	585,425
Equity shares listed in mainland Europe	**72,635**	115,446
Equity shares listed in the USA	**672,279**	480,229
Equity shares listed in Japan & Asia	**180,382**	144,070
Equity shares Global	**76,641**	111,962
UK bonds	**227,816**	315,156
Alternative Investments	**348,473**	287,969
Global bonds	**114,458**	115,424
Emerging markets	**45,164**	54,549
Cash	**113,406**	44,230
	2,342,334	2,254,460

14: Subsidiary undertakings

The charitable company owns the whole of the issued ordinary share capital of Willow Events Limited (Company Number 05352056) and Willow Retail Limited (Company Number 09182367), both companies registered in England. On 1st January 2019, the activity of Willow Retail Ltd was transferred over to Willow Foundation. Willow Retail Limited was dormant during 2019 and 2020 and will be closed down when appropriate. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of Willow Events Ltd is shown below:

Willow Events Ltd	**2020** **£**	2019 £
Turnover	**-**	-
Cost of sales	**-**	-
Gross profit	**-**	-
Administrative expenses	**-**	-
Other operating income	**-**	-
Operating profit	**-**	-
Interest payable	**-**	**-**
Profit on ordinary activities	**-**	-
Gift aid to parent undertaking	**-**	-
Profit / (loss) for the financial year	**-**	-
The aggregate of the assets, liabilities and funds was:		
Assets	**500**	2,300
Liabilities	**(499)**	(2,299)
Funds	**1**	1

Willow Events Ltd was dormant during the years 2019 and 2020. It is being kept open in the expectation of potential future trading activity.

15: Stock

	The group and charity	
	2020	2019
	£	£
Finished goods	**7,072**	6,863
	7,072	6,863

16: Debtors

	The group		The charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Trade debtors	**24,326**	82,275	**24,825**	84,574
Other debtors	**28,113**	53,011	**28,113**	53,011
Prepayments	**159,754**	191,787	**159,754**	191,787
Accrued income	**106,562**	45,282	**106,562**	45,282
	318,755	372,355	**319,254**	374,654

17: Creditors amounts falling due within one year

	The group and charity	
	2020	2019
	£	£
Bank loans and overdrafts	**450,000**	-
Trade creditors	**86,059**	87,107
Taxation and social security	**18,237**	27,694
Other creditors	**20,092**	33,830
Accruals	**45,747**	64,271
Deferred income	**69,727**	193,942
	689,862	406,844

Bank loans totalling £450,000 (2020: £0) are secured against listed investments. The loan was paid to Willow on 8 December 2020 and is included as falling due within one year because it is expected to be repaid before 8 December 2021.

18: Analysis of changes in net debt

	The group and charity		
	At 1 January 2020	Cash flows	**At 31 December 2020**
	£	£	**£**
Cash	170,215	605,013	**775,228**
Loans falling due within one year	-	(450,000)	**(450,000)**
Total	170,215	155,013	**325,228**

19: Deferred income

Deferred income comprises proceeds from tickets sold for fundraising events due to take place the following year.

	The group and charity	
	2020	2019
	£	£
Balance at the beginning of the year	**193,942**	189,950
Amount released to income in the year	**(153,200)**	(189,950)
Amount deferred in the year	**28,985**	193,942
Balance at the end of the year	**69,727**	193,942

20: Pension scheme

Willow Foundation operates a group personal pension scheme compliant with auto-enrolment requirements, provided by Royal London Mutual Insurance Society Ltd. The charity contributes a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice. The employee must at least match the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

The pension cost of these schemes during the year was £90,390 (2019: £116,278). At 31 December 2020 £9,169 in contributions was outstanding (2019: £10,786).

21a: Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	**Total funds**
	£	£	£	**£**
Tangible fixed assets	-	36,942	-	**36,942**
Investments	1,660,743	681,591	-	**2,342,334**
Net current assets	128,043	-	283,150	**411,193**
Net assets at the end of the year	**1,788,786**	**718,533**	**283,150**	**2,790,469**

21b: Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	**Total funds**
	£	£	£	**£**
Tangible fixed assets	-	66,016	-	**66,016**
Investments	1,231,859	1,022,601	-	**2,254,460**
Net current assets	(32,144)	-	174,733	**142,589**
Net assets at the end of the year	**1,199,715**	**1,088,617**	**174,733**	**2,463,065**

22a: Movement in funds (current year)

	At the start of the year	Income & gains	Expenditure & losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Specific beneficiaries	-	41,423	(41,423)	-	**-**
Special Days - specific illness	779	26,000	(22,125)	-	**4,654**
Special Days - specific areas	40,136	40,650	(30,901)	-	**49,885**
Special Days - specific age	100,818	-	(57,000)	-	**43,818**
Special Days - combination of specific illness and/or area and/or age	3,000	8,500	(10,375)	-	**1,125**
Special Days Out & Days at Home for those whose Special Days were put on hold due to Covid	-	70,000	-	-	**70,000**
Treat Packs - specific areas	-	15,450	(13,382)	-	**2,068**
Treat Packs - combination of specific illness and / or area and /or age	-	2,500	(602)	-	**1,898**
Treat Packs - non-specific	-	38,750	(38,750)	-	**-**
Charitable Service - specific illness	-	3,000	(3,000)	-	**-**
Charitable Service - specific areas	-	13,800	(3,778)	-	**10,022**
Charitable Service - specific age	-	3,000	(3,000)	-	**-**
Charitable Service - combination of specific illness and/ or areas and/ or age	-	2,000	(2,000)	-	**-**
Charitable service - non-specific	-	121,000	(44,084)	18,084	**95,000**
Development of Willow website	30,000	-	(7,236)	(18,084)	**4,680**
Charity shops	-	40	(40)	-	**-**
Total restricted funds	**174,733**	**386,113**	**(277,696)**	-	**283,150**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	66,016	-	-	(29,074)	**36,942**
Special Days Reserve	571,709	-	-	(358,585)	**213,124**
Investment Reserve	450,892	-	-	17,575	**468,467**
Total designated funds	1,088,617	-	-	(370,084)	**718,533**
General funds	1,199,715	2,010,964	(1,791,977)	370,084	**1,788,786**
Total unrestricted funds	2,288,332	2,010,964	(1,791,977)	-	**2,507,319**
Total funds	2,463,065	2,397,077	(2,069,673)	-	**2,790,469**

22a: Movement in funds (prior year)

	At the start of the year	Income & gains	Expenditure & losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Specific beneficiaries	-	253,365	(253,365)	-	**-**
Specific illness	2,029	15,000	(16,250)	-	**779**
Specific areas	1,108	116,128	(77,100)	-	**40,136**
Specific areas and illness	-	6,000	(6,000)	-	**-**
Specific age and illness	-	4,000	(4,000)	-	**-**
Specific area and age	-	3,000	-	-	**3,000**
Specific age	-	163,318	(62,500)	-	**100,818**
Development of Willow website	-	30,000	-	-	**30,000**
Set up of Letchworth charity shop	-	5,000	(5,000)	-	**-**
Total restricted funds	3,137	595,811	(424,215)	-	**174,733**
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	76,511	-	-	(10,495)	**66,016**
Special Days Reserve	612,313	-	-	(40,604)	**571,709**
Retail Development Reserve	291,226	-	-	(291,226)	**-**
Investment Reserve	382,954	-	-	67,938	**450,892**
Total designated funds	1,363,004	-	-	(274,387)	**1,088,617**
General funds	957,859	3,141,325	(3,173,856)	274,387	**1,199,715**
Total unrestricted funds	2,320,863	3,141,325	(3,173,856)	-	**2,288,332**
Total funds	2,324,000	3,737,136	(3,598,071)	-	**2,463,065**

Purposes of restricted funds

The 'Specific Beneficiaries' restricted fund relates to discounts and gifts in kind which are given for a specific beneficiary's Special Day or Treat Pack.

The next Special Days, Treat Packs and Charitable Service restricted funds listed are all funds given for charitable activities of a particular kind. Some donors restricted the activity to certain types of Special Day only, to Special Days only and some to Treat Packs only whereas some restricted it to any service provided to the beneficiaries. Within these categories, donors have chosen to restrict to benefit people from a particular geographical area, a particular age group or suffering a particular type of illness - or some combination of these factors.

The development of Willow website restricted fund is to assist the charity in producing a new updated website. During 2020 we identified a more cost-effective way to develop a new website and therefore the donor agreed that we could transfer part of this fund to spend against our charitable service instead.

Purposes of designated funds
The Fixed Assets Reserve represents the net book value of the leasehold improvements in the building occupied by the charity or its subsidiaries and the furniture, software and equipment owned by the group. Funds tied up in these assets are not available for spending on Special Days.

The Special Days Reserve represents the commitments made by the charity to fulfil applications in progress. Typically applications in progress are equivalent to approximately half a year's applications.

The Retail Development Reserve represented money set aside to invest in setting up charity shops through our subsidiary company Willow Retail Ltd as a means of raising funds for the charity. The activities of Willow Retail Ltd were transferred into the parent charity on 1st January 2019 including the carried forward loss within Willow Retail. Therefore the retail development reserve was no longer required at the end of 2019.

The Investment Reserve is an ongoing fund to protect the provision of Special Days from downward fluctuations in investment markets. Net investment gains are added to this fund in subsequent years subject to a maximum of 20% of the value of the investment portfolio.

23: Reconciliation of net income to net cash flow from operating activities

	2020	2019
	£	£
Net income for the reporting period	**327,404**	139,065
(as per the statement of financial activities)		
Depreciation charges	**34,364**	51,783
(Gains)/losses on investments	**(224,124)**	(299,537)
Dividends, interest and rent from investments	**(46,338)**	(52,926)
(Profit)/loss on the disposal of fixed assets	**4,382**	-
(Increase)/decrease in stocks	**(209)**	(1,502)
(Increase)/decrease in debtors	**53,600**	358,839
Increase/(decrease) in creditors	**283,018**	(117,896)
Net cash provided by operating activities	**432,097**	77,826

24: Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Vehicles		Property	
	2020	2019	**2020**	2019
	£	£	**£**	£
Less than one year	**3,564**	3,320	**155,706**	71,236
One to five years	**5,940**	2,462	**855,509**	62,486
	9,504	5,782	**1,011,215**	133,722

25: Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

GOVERNANCE

Legal Structure and purpose

Willow is a charitable company limited by guarantee (registered number 5207070) and a registered charity in England and Wales (charity number 1106746) and Scotland (charity number SC045811).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 9 August 2004 and amended on 28 February 2013 and 12 January 2015. On 1 January 2005, the assets and activities of the Willow Foundation, a charity established in 1999 and constituted by trust deed, were transferred to this charity. The charity has two wholly-owned subsidiary trading companies.

The object of Willow is to fulfil uplifting and unforgettable Special Days for seriously ill 16 to 40 years old throughout the UK.

Charity Governance Code

The trustees are committed to good governance and follow the Charity Governance Code to develop and ensure Willow follows high standards of governance.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning.

Subsidiary undertakings

Willow owns 100% of the shares in Willow Events Limited, a company established in 2005 (company no. 5352056) to undertake commercial activity of benefit to the charity. Willow Events Limited was dormant during 2020 and future profits would be donated to the charity.

Willow also owns 100% of the shares in Willow Retail Limited, a company established in August 2014 (company no. 9182367) to develop and run a chain of charity shops in support of Willow. Willow Retail Limited was dormant during 2020.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. Trustees are the directors of the company and serve for renewable terms of three years.

The Board comprised eight trustees as at 31 December 2020. Trustees have a wide range of skills and experience appropriate to the governance of the activities of Willow.

The Board meets at least four times each year to regularly review and direct Willow's strategy, budget and performance. The day-to-day management of the charity is currently delegated by the Chairman to the Executive Team. Specific responsibilities are also delegated to various committees described below.

From time to time the Board reviews the skills of the Trustees against the skills required to direct the affairs of the charity. Where skill gaps are identified, succession and recruitment plans are developed and implemented. The Board of Trustees appoints all new trustees and committee members through a variety of recruitment methods including formal search and word of mouth.

An induction programme is offered to all new trustees and further updates and training are provided as required. This includes meetings with the Founders of Willow Bob and Megs Wilson, the Chairman, members of the Executive Team and where possible a Special Day beneficiary.

The Committees

All Willow Committees meet at least two times a year and minutes of their meetings are presented to the Board of Trustees by the Chair of each Committee.

The Finance & Audit Committee reviews the charity's annual financial statements, audit matters, investment performance and internal financial controls.

The Retail Board advises on the charity's shops and the Governance Committee advises on effective governance and Trustee Board membership.

Fundraising

Willow uses a diverse range of fundraising activities to raise vital funds towards the delivery of our service. Our Board of Trustees and Leadership Team are committed to building trust with our supporters.

We are registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. We did not use any professional fundraisers or commercial participators during 2020. We monitor fundraisers and volunteers in all aspects of their fundraising and in line with the Code of Fundraising Practice and we provide materials and support to fundraisers and review and provide feedback on performance.

We endeavour to adhere to all codes and best practices set out by the codes and the General Data Protection Regulations.

Our quality assurance also includes regular reviews of complaints and other feedback, as well as regular audits and mystery shopping. In 2020 we recorded and responded to three complaints.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake and have a Safeguarding Children and Vulnerable Adults policy in place which has been approved by the Board of Trustees.

Going Concern Statement

The Trustees have reviewed the accounts as well as the charity activities, budgets and plans for 2021 and 2022, reserves positions up to the date of signing off these accounts and the group risk register.

Covid created a very uncertain environment during 2020 and continues to create difficulties during 2021. Despite this, the Trustees have reasonable expectation that Willow will remain a going concern for the foreseeable future which is determined to be at least 12 months from the signature date of these accounts.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charity was put to the Board of Trustees on 31 August 2021.

Statement of responsibilities of the trustees

The trustees (who are also directors of Willow for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2020 was 8 (2019: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 31 August 2021 and signed on its behalf by:

Richard King

Chairman

CHARITY INFORMATION

Life Presidents

Megs Wilson

Bob Wilson OBE

Ambassadors

Natasha Kaplinsky OBE

Pat Jennings OBE

Mary Nightingale

Theo Walcott

Jim Rosenthal

Linda Lusardi

David Seaman MBE

Sam Kane

Lee Dixon

Gary Mabbutt MBE

Lee Mears

Simon McCoy

Ian Poulter

Gary Lewin

Hardeep Singh Kohli

Ian Wright MBE

Frankie Seaman (formerly Poultney)

Martin Chivers

Ossie Ardiles

Katie Swan

Alfie Boe OBE

Leah Williamson

Mica Paris MBE

Trustees

Richard King – Chair

Nicholas Aldridge

Stewart Bennett

Elena Ciallie

Rachel Jones

Martin Ryan from 18 May 2020

Glyn Taylor

David Waddington CBE

John Wilson to 31 December 2020

Senior Management

Jonathan Aves – Chief Executive

Claire Kermode – Company Secretary, Finance, Resources and Retail Director

Dominic Heath – Special Days Director

Principal address and registered office

3rd Floor, Gate House, Fretherne Road

Welwyn Garden City, Hertfordshire AL8 6NS

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Web: willowfoundation.org.uk

Auditors

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL

Solicitors

Pellys Solicitors Ltd, 18 The Causeway, Bishops Stortford CM23 2EJ

Principal banker

NatWest Bank, 2nd floor Argyll House, 246 Regent Street, London W1P 3PB

Investment managers

Quilter Cheviot Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4AB.