



WESSEX

CANCER TRUST

Registered Company No: 05416311

Wessex Cancer Trust

Report and Financial Statements

For the Year Ended 31 December 2022

(A Company Limited by Guarantee)

Registered Charity No: 01110216

Wessex Cancer Trust
Report and Financial Statements
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Legal and Administrative information

Charity Name	Wessex Cancer Trust
Company Number	05416311
Charity Registered Number	01110216
Registered Office	91-95 Winchester Road Chandler's Ford Eastleigh, SO53 2GG

The Directors of the charitable company are its Trustees for the purposes of charity law.

The Trustees and Officers serving during the year and since the year end were as follows:

Board of Trustees	Mrs D Cutler	Chair
	Mr M Miles FCA	Treasurer
	Dr E Arden-Close	
	Mr J Clough	
	Mr T Jones FCA	
	Mr J Plumtree	appointed 8 April 2022
	Ms S Bedells	resigned 4 May 2023
	Ms L Darby	resigned 14 April 2022
	Ms R De Beer	resigned 15 December 2022
	Mr B Rinaldi	resigned 30 April 2022
	Mr P Towler	resigned 25 May 2022
	Ms J Warwick	resigned 3 March 2022
	Mrs H Bodiam	Secretary, resigned 28 February 2022
	Mr D Daniels	Secretary, appointed 28 February 2022, resigned 2 May 2022
	Mr D Robertson CA(SA)	Secretary, appointed 3 May 2022

Chief Executive Rachel Billsberry-Grass

Legal Advisors Paris Smith LLP
London Road
Southampton, SO15 2AE

Legal and Administrative information - continued

Auditors	Azets Audit Services Athenia House 10-14 Andover Road Winchester Hampshire, SO23 7BS
Bankers	The Royal Bank of Scotland 56 High Street Southampton, SO14 2NP Co-Operative Bank PO Box 250, Delf House Skelmersdale, WN8 6WT
Investment Advisors	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU

Chair's Summary

Thank you for taking time to read our 2022 Annual Report and Accounts.

It has been another encouraging year for Wessex Cancer Trust, in which we've seen growth in the number of people that we are supporting, and achieved a strong financial performance. Thank you to all our donors, volunteers and staff that have contributed to this positive position.

However, there is more to be done. Every year around 14,000 people are diagnosed with cancer in the Wessex region and we know that 58% feel that their emotional needs are not being looked after as much as their physical needs. To help address this, 2022 saw the launch of a new three-year strategy ***Cancer Support for All***, which seeks to double our reach and take our services to people and communities who have traditionally been less likely to seek our support.

Our Services focus on the emotional health and wellbeing of anyone affected by cancer, whether it is the person living with cancer themselves, or their loved ones. We offer personalised support which is holistic and can include befriending, counselling and complementary therapies in both one to one and group settings, as well as gentle exercise classes.

As part of our three-year strategy we are developing a community outreach programme to extend the work being delivered in our four cancer support centres. Working in partnership with others, we aim to reach individuals in geographical areas and communities who have not previously accessed our services. During 2022 we launched our first community outreach pilot project in Andover. The pilot has enabled us to reach new clients while developing links within the local community and healthcare landscape. From April 2023 this outreach service will be based in Andover's Primary Care Network (PCN) Health Hub, helping us to reach even more people within the local community.

We have undertaken extensive scoping work to identify geographic and demographic communities where there are very few services offering emotional support for people affected by cancer, but where there is a clear need for such services. Informed by this work, in 2023 we will be focusing some of our resources to reach specific groups including men, people from deprived communities and people who have poor mental health. We will also continue to extend our reach into minority ethnic communities.

Geographically, we will develop our outreach to areas that have few cancer support services: Dorchester is a priority in 2023, and we are also considering locations in North East Hampshire. Our outreach work has been possible with a very generous grant received from Southampton Hospitals Charity, with the proceeds of the sale of Banksy's artwork, Game Changer.

For many of our clients, getting back to normal following the pandemic has been difficult. With the Omicron variant causing concern in the early part of 2022, it took until the last quarter before our Centres saw in-person client numbers return to pre-pandemic levels. Our Services team has engaged locally with the community, and with hospitals, GP practices, charities and other healthcare providers to help restore confidence for potential clients. We have been agile and responsive to client needs, delivering a combination of in-person and remote services, and will continue to do so in the future.

Wessex Cancer Trust services are embedded in local communities and nowhere is that clearer than our popular Sing for Life choirs. With three established choirs in Totton, Cosham and Salisbury, 2022 saw the launch of a new group on the Isle of Wight. Singing can help lower stress, boost immunity and lung function and improve mental health, and our informal singing groups offer a supportive community that benefit many people affected by cancer. The choirs regularly share these benefits with the community by performing at events such as Music in the City in Southampton in September and our very own Christmas Concert which was held in St Peter's Church in Titchfield.

During the year we were in attendance at many community events to raise awareness of our services, including visiting local mosques and temples, and taking part in a number of the region's Pride events. For the Queen's Jubilee event in Eastleigh, our services, retail and fundraising teams of staff and volunteers joined together to showcase our work to thousands of people in the local area.

In addition to our Centre on the Isle of Wight, Wessex Cancer Trust provides two Daisy Buses to support patients from the Island who are coming for treatment in Portsmouth or Southampton. This service is also provided to patients from Jersey, under a contract with the States of Jersey Government and with the support of our long-term partner, Jersey Cancer Trust.

Wessex Cancer Trust services are a vital part of the local cancer provision, complementing what is offered by the NHS and other charities. Partnership working is a priority for the Board. As well as our contract with the States of Jersey, we are contracted by three NHS hospitals to deliver counselling or complementary therapies enabling us to reach more people in a cost effective way. We also work closely with the Wessex Cancer Alliance and other charities with local support centres such as Maggie's and Macmillan.

The delivery of our services is dependent on the energy and enthusiasm of our people. The Trustees offer our heartfelt thanks to the volunteers, employees and sessional workers who have been involved with Wessex Cancer Trust in 2022.

In common with many charities, recruitment and retention of both staff and volunteers has been a challenge, and this is expected to continue into 2023 and beyond. In response we have reviewed our policies around issues such as flexible working, and we are investing in Wellbeing at Work initiatives and increased HR and volunteer management support.

As a charity which depends on fundraising and retail income, 2022 has been an uncertain year; as things settled down after the pandemic, the cost-of-living crisis began to bite. Despite this we finished the year with total income of £2,543,018 (2021: £3,123,236), giving an overall net surplus of £832,746 (2021: £1,845,045). In large part, this surplus was the result of another strong year for legacy income which raised £827,054 (2021: £1,739,287). We are so grateful to all those individuals who choose to leave a gift in their will. This continues to be a very uncertain income stream and so the Trustees have agreed to designate some of these funds to enable the charity to develop, improve and expand its reach and range of services as part of the strategic plan. This will enable us to plan with confidence, knowing that there is a mitigation in the event of lower legacy income in future years.

During the year we also recognised the receipt of funds for a lease surrender agreement on our Bournemouth centre. The Centre was re-established in a temporary home at the end of 2021 and during 2023 we will be searching for a more permanent location.

In shops, our dedicated team achieved a significant uplift in overall sales on the previous year, with total income of £530,759 (2021: £365,119). This uplift reflects the impact of Covid disruption in the prior year, as well as encouraging underlying sales growth as the year progressed.

Our investment in Trust fundraising in both 2020 and 2021 has continued to pay dividends. In March the major grant we secured towards our outreach work, was the highest we've ever received, and we also enjoyed the second of three years of National Lottery funding for our work.

With a cost-of-living crisis affecting people's disposable income, our fundraising events were launched with a degree of caution and we have been pleased that they have broadly been successful. It has been particularly encouraging to see the rebound of our community fundraising and we are hugely grateful to the thousands of people who have taken on a challenge or organised their own events to raise money for Wessex Cancer Trust.

The Trustees extend our sincere thanks to the many charitable trusts, companies, individuals and organisations who support our work through donations and fundraising.

By year end, our income from fundraising achieved a small increase of 4.5% on the previous year reaching £848,188 (2021: £811,442).

The surplus achieved in 2022 has enabled us to achieve free reserves of £1,183,721 (2021: £1,157,256), with designated funds against future projects being increased to £1,200,000 (2021: £609,437). This maintains our free reserves in line with our reserves policy of holding between £0.9m and £1.3m.

We are proud of the progress we've made during the year to support thousands of people affected by cancer, while maintaining a healthy financial position. Our achievements have been many and varied and none would have been possible without the hard work, passion and stoicism of our staff and volunteers, to whom we owe huge thanks.

But our work is not done – we are still only reaching a fraction of the people that could benefit from our services, so this healthy position gives us a remarkable opportunity to invest in both services and income generation over the next few years, to build a sustainable organisation that is delivering to more people in the future.

Thank you to everyone who has been part of Wessex Cancer Trust's year in 2022.

A handwritten signature in dark ink, appearing to read 'D Cutler', with a stylized flourish at the end.

Diane Cutler, Chair of Trustees

Public Benefit

A cancer diagnosis is devastating. We offer emotional and practical support to help improve the wellbeing of people living with cancer and their loved ones.

In reviewing our aims and objectives and planning our future activities, we have referred to and complied with the duty in section 17 of the Charities Act 2011 (including amendments introduced by the Charities Act 2022). This relates to having due regard to the Charity Commission's published general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Our priorities are:

- a. Focusing on emotional support and wellbeing for people affected by cancer.
- b. Retaining regional status and operating mainly within Hampshire, Dorset, the Isle of Wight and supporting visitors from the Channel Islands.
- c. Focusing on post-diagnosis non-clinical support.
- d. Working closely with the NHS, maintaining strong links with and representation on appropriate committees of the Cancer Networks operating within the Charity's region of services.

Our Approach to Safeguarding

In 2018 the Charity Commission underlined that charities must be trusted places where people can feel safe. At Wessex Cancer Trust we have Safeguarding policies and procedures for Adults and Children which reflect current legislation such as The Mental Capacity Act 2005, Safeguarding Vulnerable Groups Act 2006 and the Care Act 2014. The Multi-Agency Safeguarding Adults Policy and Guidance (June 2020) developed by the Safeguarding Adults Boards in Hampshire, Southampton, Isle of Wight and Portsmouth, informs our training for staff and volunteers. Our CEO is our Safeguarding Lead, supported by the Director of Services who provides continued oversight and review of all safeguarding concerns, reporting to the Governance, Risk and HR Committee and the Board.

Our Approach to Fundraising

Wessex Cancer Trust is a member of the Fundraising Regulator and adheres to fundraising codes of practice. We employ a team of Fundraisers who work across the region. During 2022 we continued to develop a broader fundraising portfolio to mitigate the risks presented by an uncertain external environment.

On occasion we use external agencies to deliver fundraising activities. All activity is delivered to service level agreements which are monitored through regular meetings, mystery shopping and regular review of feedback and any complaints. Agencies are contractually required to ensure all fundraising activity is in accordance with all applicable legal requirements and the relevant binding codes of practice issued by the Fundraising Regulator. Professional fundraising agencies must have clear and up to date policies in place to protect vulnerable people and other members of the public from unreasonable behaviour. In 2022 no complaints about Wessex Cancer Trust fundraising practices or activities were received by the fundraising regulator.

How we performed against our goals

During 2022 we aimed to deliver against four priorities outlined in our 2022-24 strategy ***Cancer Support for All***.

Priority 1 : More people will access our services

Our aim to double the number of clients by the end of 2024 had a strong start, with a 54% uplift on 2021 client numbers receiving direct emotional and wellbeing support services. This was through the delivery of over 7,500 support sessions including amongst others, counselling, complementary therapies, befriending, exercise and Sing for Life sessions both individually and in groups.

In addition, the total number of individual Daisy bus journeys increased by 8% to over 11,500 which was largely a reflection of cancer services at hospitals getting back to normal after Covid.

Many of our services have continued to be delivered at our four Cancer Support Centres which are based in:

Bournemouth, Dorset
Chandlers Ford, Hampshire
Hythe, Hampshire
Newport, Isle of Wight

A key focus for our strategy was the development and launch of a new community outreach programme which was heavily reliant on securing a funding grant. We were notified of a successful outcome to our grant application in March, and since then we have undertaken extensive scoping work, with the launch of our first pilot in Andover in September 2022. This pilot highlighted a number of learnings, so the launch of a second pilot which was targeted for 2022 was delayed until 2023, giving time to build up our remote service offering.

During 2022 we successfully continued to deliver a blended provision of remote and in person support. The Trustees recognise that to sustain both in the future will require additional resources.

Report of the Trustees (including director's report)

In our Centres, we continue to respond to demand, trialling new service offerings and different opening hours. For example, in the Waterside cancer support centre in Hythe, the team has successfully established a women's evening support group to enable working women to attend.

To improve our services in the longer term, we aimed to enhance our understanding of trends in our client base. During the year we have successfully implemented a new client database which is enabling us to analyse data and use this to inform service development.

An ongoing challenge that we face, is how to raise our profile with potential clients. Our services team is focused on building relationships with clinical and healthcare staff to ensure we continue to see referrals. We also recognise the need to build brand recognition to the general public and during the year we have undertaken the first stage of a limited brand refresh, consulting stakeholders and cold audiences through a series of surveys and focus groups. The next stage of this exercise will be the launch of a refreshed brand in 2023.

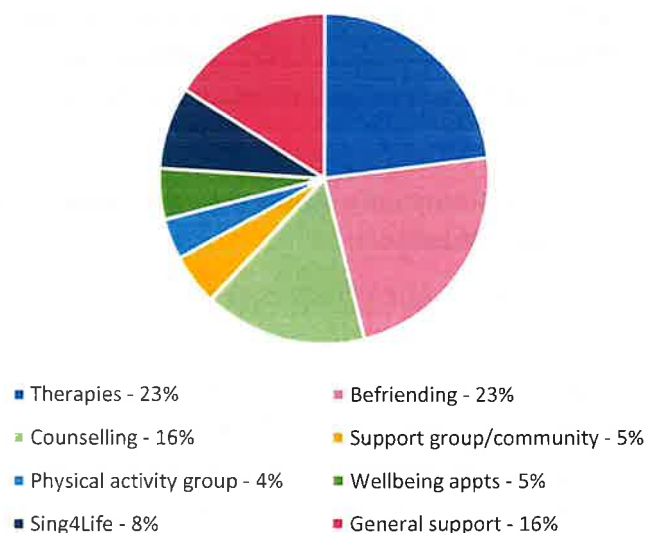
Priority 2 : Our clients will receive high quality personalised support

It is vital that growth in client numbers does not compromise quality, and we achieved our target of minimum 95% Good or Excellent client satisfaction levels.

Whether clients engage in services in our centres, at one of our outreach services or remotely, they can expect to be supported by trained volunteer Befrienders who have a depth of understanding and experience.

All new clients are offered an appointment with our Wellbeing co-ordinator who will work with them to develop a personalised support plan which is then shared with our Centre Managers to co-ordinate the client's ongoing support.

How our Services break down



Each client is offered a follow up meeting with the Wellbeing Coordinator approximately 6 months later, where we seek feedback on their experience. Our aim is to consider whether their needs have been met and to identify if further support is required. The new digital case management system is enabling better analysis of clients needs and improved communication with client groups.

One of our aims for 2022 was to build our web-based communities and online services for clients. We have an active Facebook support community and other successful online support groups and we will be investing further in this area in 2023.

Priority 3: We will seek out meaningful strategic partnerships

Since it was founded, Wessex Cancer Trust has worked with other partners, particularly the NHS, to provide support services that complement cancer services offered elsewhere.

In 2022 we have focused on continuing to build these relationships both at a region-wide and community level in order that we might influence the local cancer agenda and advocate for our clients. We work with the Wessex Cancer Alliance (WCA) and local cancer services, and our CEO and Head of Services represent the charity on key boards and working groups, including WCA's Personalised Care Programme Board. These efforts are ensuring we are well placed to be considered for new partnerships and during 2022 plans were developed for our involvement in two partnership projects which will launch in 2023.

We also set out to develop more strategic funding partnerships. During the year we successfully renegotiated our contracts with Southampton General, Queen Alexandra Portsmouth, and Bournemouth Hospitals and with the States of Jersey. In 2023 and beyond, we will consider opportunities for further statutory contracts.

Our success in developing partnerships with Trust funders has helped us achieve a strong income from this area, with our two highest ever value grants. However, our target to grow corporate partnership income has presented a bigger challenge as we try to navigate new working practices at many corporates, and this remains a priority for 2023.

Priority 4: Our charity will be financially stable, operate efficiently and attract and retain high quality staff and volunteers.

During 2022 we have successfully managed finances in an efficient way and have finished the year in a strong position.

In addition to strong legacy income, we saw an encouraging uplift in fundraising income compared to the previous year. This has been due to strong performances primarily in Trust fundraising, with promising growth in community and events fundraising which was re-invigorated after the disruption of the previous two years.

Retail sales were robust, with a 45% year on year increase in sales following a slow year in 2021 as the country emerged from the pandemic. Gift Aid collection in retail has been a focus and we achieved an average of 38% across all shops. In early 2023 we are digitalising the retail Gift Aid process and expect to see a step-change in this area year on year.

We have reviewed our IT support and now have a productive relationship with an external IT support company.

Our biggest challenge in the year was recruiting and retaining both staff and volunteers. This is a challenge that is not unique to Wessex Cancer Trust, and presents a real risk to the charity. By the end of the year we had recruited an HR resource and Volunteer Co-Ordinator to lead on these areas. We have reviewed our organisational culture, including our Mission, Vision, Values and Behaviours and during 2023 will be embedding these throughout everything we do.

The Board is committed to Equality, Diversity and Inclusion (EDI), and during 2022 we developed a strategy and policy that reflects how we will implement this commitment. We have also introduced a Flexible Working Policy and have put additional focus on Wellbeing initiatives to ensure we look after our people.

Future Plans

In 2023 we will continue to strive to deliver against the priorities outlined in ***Cancer Support for All*** and specifically aim to:

- Recruit a new role of Digital Services Officer, developing online communities and offering new online services.
- Launch up to 5 new pilot outreach services, working in partnership with local cancer services and other charities or community groups.
- Develop a plan to find a future permanent home for our Bournemouth Cancer Support Centre.
- Recruit to the new role of Head of Philanthropy; develop and implement plans for major donor and corporate fundraising.
- Rollout a refreshed brand to help raise awareness of our services and need for funding.
- Explore the opportunity to open one additional retail outlet.
- Implement digital gift aid collection in shops and achieve average gift aid collection of 50% across shops.
- Increase board diversity and specialist skills to ensure the makeup of the Board reflects the needs of the charity.
- Rollout a Wellbeing at Work programme.

Colleagues and Volunteers

The Trustees thank all the staff and volunteers who have helped the charity to achieve tremendous results for people with cancer and their loved ones during 2022.

Volunteers are the backbone of Wessex Cancer Trust, and we are hugely grateful to the 190+ individuals who continue to support the charity in this way. The range of volunteer support we enjoy is huge and includes counselling and therapies, befriending, running support groups, helping in our shops or at a fundraising event, or providing office-based support. Volunteers are carefully vetted and trained and in 2022 we continued to offer crucial training in for example, listening skills and safeguarding.

Financial review

The Group's total income was £2,543,018 (2021: £3,123,236). While this is a reduction on the previous year (due to the exceptional legacy income that was received in 2021), it is still considerably higher than the year's budget. Again this reflects another strong year for legacy income at £827,054 (2021: £1,739,287) and the Trustees are thankful to all those people who left a gift in their will of whatever size.

During 2022 we have continued to successfully invest in trust fundraising achieving income of £388,784 (2021: £271,698). We have also seen an encouraging recovery in community and event fundraising, with our annual Bournemouth Airshow lunch, Rainbow Run and Christmas Carol Concert being particular highlights of the event calendar. In 2022 we saw the first of a new Sparkle Party fashion show event, in which a number of clients and services staff starred as models.

The Group's income also includes retail trading, undertaken through a wholly owned subsidiary, W.C.T. Wessex Limited. The team is highly focused on targets and other key performance indicators and so despite challenging staffing issues during the year, managed to achieve overall income of £530,759 (2021: £365,119) with a profit after taxation of £127,145 (2021: £178,738). This reduction in profits reflects the previous year's receipt of £121,000 in Covid related grant support, as well as an underlying cost inflation, which more than offset income growth.

Our current retail outlets are in:

Weeke, Winchester
Chandler's Ford
Freshwater, Isle of Wight
Hythe
Portchester

Report of the Trustees (including director's report)

Most of our income remains dependent on the generosity of our supporters, whether through financial donations, gifts in a will or participation in fundraising events, or by donating or buying second-hand goods in our shops. We are so grateful to all those individuals, organisations, clubs, schools and companies that supported the charity during 2022.

A total of £690,954 was spent on raising funds (2021: £513,083) which includes the costs of running our retail shops. Expenditure on charitable activities amounted to £1,017,657 (2021: £765,512). This increase reflects the charity returning to normal operations after Covid and cost inflation in both salaries and other costs.

The charity remains dependent on voluntary income but during 2022 also agreed a substantial lease surrender payment on our Bournemouth Centre. The Centre is currently operating from new premises under a short-term lease, with the aim of finding a longer-term location during 2023.

The end of year outcome was a surplus of £832,746 (2021: £1,845,045).

Throughout 2022 the charity has continued to closely monitor finances and maintain an 18–24-month cashflow forecast. Robust evaluation of income generation activities, cost saving exercises and staying alert to opportunities to access new funding has helped to secure the financial position of the charity and protect the long-term future of the Trust.

Based on all available information the Trustees have a reasonable expectation that the Trust will be able to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least one year from the date of this report. Therefore, the Trust continues to adopt the going concern basis of accounting.

Reserves Policy

Free reserves are funds that are readily realisable and exclude funds whose use is restricted or designated for a particular purpose. It also excludes funds invested in fixed assets utilised in the day to day running of the charity.

During 2022 the Trustees reviewed the appropriate level of free reserves needed by the charity and agreed a level of £900,000 - £1.3m, representing approximately 6 – 9 months of 2023 running costs. Group free reserves at the balance sheet date were £1,183,721 (2021: £1,157,256). Given the ongoing impact of the energy crisis, together with the developing situation in Ukraine and the related impacts on current inflation levels, the Trustees are satisfied to retain free reserves comfortably within this range.

The total reserves (including free reserves) were £3,043,797 (2021: £2,211,051) of which £652,091 were restricted (2021: £429,547) and not available for general purposes. Additionally, the Trustees set aside a further £590,563 from unrestricted legacy income received during the year, to increase designated funds to £1,200,000 (2021: £609,437). As legacy income can be so volatile, the application of these designated reserves over the medium term will enable the charity to develop, improve and expand its reach and range of services, and this is reviewed by Trustees as part of the strategic planning process.

Investment Policy

The Trustees have committed to investing funds in a responsible manner and for the investment portfolio to be managed in accordance with the Trust's charitable mission and values. This means having regard to best practice in Environmental, Social and Governance issues.

To minimise risk of only holding our reserves in interest bearing accounts, since the year end we are now investing into the Flagstone Deposit platform. This provides higher returns whilst protecting all the funds deposited under the Financial Service Compensation Scheme (FSCS) - this guarantees up to £85,000 in any eligible bank.

The Trust has also appointed Sarasin & Partners as our Investment managers and will be developing an investment policy with them. The Trust's objective will be to maximise investment returns against the risk and liquidity of the investments. The Finance & Audit Committee will be responsible for having oversight of the performance of our investments.

Structure, Governance and Management

Background

The original Wessex Cancer Trust was established as a registered unincorporated charity (280133) under a Trust Deed dated 3 March 1980. In January 2005, the Board of Trustees decided to incorporate the charity. A new company, Wessex Cancer Trust, was incorporated under the Companies Act 1985 on 6 April 2005 and entered into the Central Register of Charities on 27 June 2005 with registered number 01110216. The assets and liabilities of the unincorporated Trust were transferred to the Company on 1 October 2005 when it commenced activities.

Governing Documents

Wessex Cancer Trust's Articles of Association currently define the objects of the charity as:

'For the public benefit to assist in the treatment and care of persons affected by cancer, the provision of support, education and practical advice, including raising funds to; complement and improve cancer care services by supporting patients, families and carers; providing education and information for patients, families and professionals; promoting cancer prevention; mainly throughout Wessex including Hampshire, Dorset, Wiltshire, the Isle of Wight and the Channel Islands.'

Governing Body

At 31 December 2022, the Governing Board comprised six Trustees, who also form the membership of the Company. Every member promises to pay a sum not exceeding £10 towards the payments of debts and liabilities of the Company if it is dissolved while he or she is a member or within 12 months after he or she ceases to be a member.

New Trustees are identified through an open recruitment process and are then elected by the Board based on having the attributes necessary to maintain the range of skills necessary for the effective direction of the Charity. Training for new Trustees includes receipt of a comprehensive induction pack and briefings from staff.

All Trustees who have served continuously for four years can choose to stand for re-election at the next Annual General Meeting. Trustees can serve a maximum of 2 four-year terms. Re-election is voted amongst all the members of the Charity to be completed at least 48 hours before the completion of the Annual General Meeting.

Decisions by the Board are made by simple majority, with the Chair taking the deciding vote in the event of a tie.

During 2022 the Trustee Board was strengthened with the appointment of a new Vice-Chair and six trustees stepped down.

The Board meets quarterly, with the CEO and members of the Senior Leadership Team.

Delegation

The Articles of Association permit delegation of Trustees' powers to a committee of two or more Trustees. During 2022 the Board reviewed its formal Governance structure and streamlined the number of sub committees to three:

Governance, Risk and HR Committee

Finance & Audit Committee

Advisory Committee – The Advisory Forum

In addition the Board has an annual Strategy Day. A member of the Board is involved in the management-led Strategic Implementation Group which meets monthly to monitor and evaluate progress against the strategic plan.

The Trustees appoint a Chief Executive who is responsible for the day-to-day operations of the Charity, working alongside department Directors to deliver the Trust's work.

Management of Risks

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trust assessment is reflected in a Risk Register which is regularly reviewed by the Board and the relevant governance committees. Mitigation plans are in place to reduce, as far as possible, the impact or likelihood of occurrence.

The risks below are the ones of which the Board are particularly mindful:

Governance

Insufficient skills on and/or engagement by the Board leading to poor decision making and/or lack of oversight.

Management: The composition of the Board is reviewed regularly to ensure that we have the right skills to fulfil our Governance role. Trustees receive training on what is required to be a Trustee.

Regulatory environment

Lack of understanding of public policy and compliance with regulatory obligations.

Management: Senior leadership team monitor public policy and the regulatory environment to ensure risks are managed, reporting in to the Board.

Adverse events

Incidents that damage reputation and/or negatively impact operations (including, fraud, supply chain disruption, major health and safety incidents, safeguarding and internal process failures).

Management: We maintain a Business Continuity Plan which is reviewed regularly. Regular financial reporting and monitoring. Proactive whistleblowing policy. Proactive media management. Monitoring of key suppliers, including financial, and other due diligence checks. Regular reviews and training on all policies and procedures, including safeguarding.

Operational risks

- Computer system failures or adequacy of systems; loss of data/ data breach; cyber security.

Management: We have recently achieved CyberEssentials accreditation and cyber security is embedded in the charity with regular staff and volunteer training. Business Continuity Plan is regularly reviewed. We use Microsoft 365 and have outsourced our IT support.

Report of the Trustees (including director's report)

- Poor volunteer recruitment and retention/lack of volunteer competencies.

Management: We have recently recruited a Volunteer Co-Ordinator who is establishing a consistent approach across the Trust and who creates awareness of good volunteer management. A training programme will be established for volunteers and managers.

- High staff turnover and recruitment challenges.

Management: Regular review of HR practices and how to support staff. Annual cost of living salary award and occasional exceptional additional awards when needed eg during cost of living crisis in 2022. Regular staff appraisals with clear objectives. Regular reviews of the recruitment packs to respond to changes and exit interviews with leavers.

Financial

- Income, expenditure and cash flow.

Management: Budgets set annually and monthly monitoring of actuals to identify actions needed.

- Over-dependency on small number of income streams.

Management: Fundraising strategy established and investment in new areas to further diversify income streams. Designation of reserves to help mitigate the risks of volatile legacy income.

- Investments presenting exposure to financial risk and market movements.

Management: Responsible investment approach with regard to best practice in Environmental, Social and Governance (ESG) issues, and in accordance with the charity's own charitable mission and values. Expert advice informs investment and treasury activities. Oversight of investment and treasury activities by our Finance & Audit Committee, who monitor compliance and performance.

Remuneration

The Governance, Risk & Human Resource Committee recommends any annual cost of living increases in consideration of the Consumer Price Index. In 2022 members of staff were given a cost-of-living increase of 3% (2021: 2%) plus a one-off payment of 2.5% up to max of £1k. Any other salary increases are based on performance or advancement. Salaries for new roles are reviewed against market rates for similar roles in the charity sector. With the continued pressure on household budgets in 2022, the Board agreed a further rise of 4% at the start of January 2023. A number of lower paid staff received a greater increase: the Board chose to take into account the real Living Wage as identified by the Living Wage Foundation, rather than pay at the Government's National Living Wage. With the latter increasing by 9.7% in April 2023, the Board chose to introduce this change from the beginning of January 2023.

Trustees' Responsibilities in relation to the Financial Statements

The Trustees (who are also directors of Wessex Cancer Trust for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

Auditor

Azets Audit Services were appointed auditors to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at the Annual General Meeting.

This report was approved by the Trustees on 23 June 2023 and signed on their behalf by:



D Cutler

Chair of Trustees

Date: 23.06.2023

Independent auditor's report

Opinion

We have audited the financial statements of Wessex Cancer Trust (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the 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, except to the extent otherwise explicitly stated in our report, and 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 our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic and directors' report. We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable parent company for the purpose 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 & charitable parent 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 charitable parent 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 144 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

**Extent to which the audit was considered capable of detecting irregularities,
including fraud (continued)**

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Wessex Cancer Trust (Registered Company No: 05416311)

**Independent auditor's report to the trustees of Wessex Cancer Trust
for the year ended 31 December 2022**

Use of our report

This report is made solely to the charitable parent company trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable parent company trustees those matters we are required to state to them in an auditors' 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 group and the charitable parent company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Michael Tizard, Azets Audit Services

28/06/2023

Date:

**Chartered Accountants
Statutory Auditor**

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom SO23 7BS

**Consolidated Statement of Financial Activities (including income and expenditure account)
for the year ended 31 December 2022**

		<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Total Funds</u>	<u>Total Funds</u>
		<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Year to</u>	<u>Year to</u>
	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>31-12-2022</u>	<u>31-12-2021</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Income:						
Donations		15,390	-	519,539	534,929	440,473
Legacies	2	827,054	-	-	827,054	1,739,287
Activities for raising funds	3	838,881	-	5,137	844,018	736,088
Other income	4	333,591	-	-	333,591	207,339
Investment income	5	3,426	-	-	3,426	49
Total income		2,018,342	-	524,676	2,543,018	3,123,236
Expenditure						
Costs of raising funds:						
Costs of raising voluntary income	9	286,800	-	-	286,800	206,312
Costs of activities for raising funds	9	404,154	-	-	404,154	306,771
Expenditure on Charitable activities:						
Care	11	694,350	-	277,559	971,909	733,801
Education	11	45,748	-	-	45,748	31,711
Total Expenditure	7	1,431,052	-	277,559	1,708,611	1,278,595
Net income before net (losses)/gains on investments and tax		587,290	-	247,117	834,407	1,844,641
Net (losses)/gains on investments	15	(1)	-	-	(1)	5
Taxation	24	(1,660)	-	-	(1,660)	399
Net incoming resources before transfers		585,629	-	247,117	832,746	1,845,045
Transfers	20/21	(565,990)	590,563	(24,573)	-	-
Net movement in funds for the year		19,639	590,563	222,544	832,746	1,845,045
Fund balances brought forward at 1 January 2022		1,172,067	609,437	429,547	2,211,051	366,006
Fund balances carried forward at 31 December 2022		1,191,706	1,200,000	652,091	3,043,797	2,211,051

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

Wessex Cancer Trust (Registered Company No: 05416311)

**Consolidated Statement of Financial Activities (including income and expenditure account)
for the year ended 31 December 2021**

		<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Total Funds</u>
		<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Year to</u>
	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>31/12/2021</u>
					<u>£</u>
Income:					
Donations		236,559	-	203,914	440,473
Legacies	2	1,400,561	-	338,726	1,739,287
Activities for raising funds	3	729,346	-	6,742	736,088
Other income	4	207,339	-	-	207,339
Investment income	5	49	-	-	49
Total income		<u>2,573,854</u>	<u>-</u>	<u>549,382</u>	<u>3,123,236</u>
Expenditure					
Costs of raising funds:					
Costs of raising voluntary income	9	205,142	-	1,170	206,312
Costs of activities for raising funds	9	306,771	-	-	306,771
Expenditure on Charitable activities:					
Care	11	486,046	-	247,756	733,801
Education	11	31,711	-	-	31,711
Total Expenditure	7	<u>1,029,670</u>	<u>-</u>	<u>248,925</u>	<u>1,278,595</u>
Net income before net gains on investments and tax		1,544,184	-	300,457	1,844,641
Net gains on investments	15	5	-	-	5
Taxation	24	399	-	-	399
Net incoming resources before transfers		<u>1,544,588</u>	<u>-</u>	<u>300,457</u>	<u>1,845,045</u>
Transfers	20	(607,626)	609,437	(1,811)	-
Net movement in funds for the year		<u>936,962</u>	<u>609,437</u>	<u>298,646</u>	<u>1,845,045</u>
Fund balances brought forward at 01 January 2021		<u>235,105</u>	<u>-</u>	<u>130,901</u>	<u>366,006</u>
Fund balances carried forward at 31 December 2021		<u>1,172,067</u>	<u>609,437</u>	<u>429,547</u>	<u>2,211,051</u>

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Wessex Cancer Trust (Registered Company No: 05416311)

Consolidated and Trust Balance Sheets as at 31 December 2022

		<u>Group</u>		<u>Trust</u>	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
		£	£	£	£
Fixed assets					
Tangible assets	14	75,730	89,759	67,745	74,948
Investments	15	137	138	138	140
		<u>75,867</u>	<u>89,897</u>	<u>67,883</u>	<u>75,088</u>
Current assets					
Debtors due within one year	16	674,318	248,149	706,983	396,340
Cash at bank and in hand		<u>2,415,863</u>	<u>1,987,682</u>	<u>2,360,725</u>	<u>1,826,840</u>
		3,090,181	2,235,831	3,067,708	2,223,180
Creditors: amounts falling due within one year	17	<u>(122,251)</u>	<u>(111,057)</u>	<u>(91,794)</u>	<u>(86,163)</u>
Net current assets		<u>2,967,930</u>	<u>2,124,774</u>	<u>2,975,914</u>	<u>2,137,017</u>
Total assets less current liabilities		<u>3,043,797</u>	<u>2,214,671</u>	<u>3,043,797</u>	<u>2,212,105</u>
Creditors: amounts falling due after more than one year	18	<u>-</u>	<u>(3,620)</u>	<u>-</u>	<u>(3,620)</u>
Net assets		<u>3,043,797</u>	<u>2,211,051</u>	<u>3,043,797</u>	<u>2,208,485</u>
Funds					
Restricted	20	652,091	429,547	652,091	429,547
Unrestricted - Designated	21	1,200,000	609,437	1,200,000	609,437
Unrestricted	21	1,191,706	1,172,067	1,191,706	1,169,501
		<u>3,043,797</u>	<u>2,211,051</u>	<u>3,043,797</u>	<u>2,208,485</u>
	22	<u>3,043,797</u>	<u>2,211,051</u>	<u>3,043,797</u>	<u>2,208,485</u>

The financial statements on pages 16 to 36 were approved by the Board of Trustees on 23 June 2023

and signed on their behalf by: Diane Cutler

Diane Cutler

Consolidated Statement of Cash Flows for the year ended 31 December 2022

		Group	
	Note	2022	2021
		£	£
Cash inflow from operating activities	25	447,112	1,764,534
Cash flows from investing activities			
Investment income	5	3,426	49
Purchase of tangible fixed assets	14	(22,357)	(12,699)
Cash (used) by investing activities		(18,931)	(12,650)
Cash flows from financing activities			
Repayment of Loan		-	(50,000)
Increase in cash and cash equivalents in the year		428,181	1,701,884
Cash and cash equivalents at the beginning of the year		1,987,682	285,798
Total cash and cash equivalents at the end of the year		2,415,863	1,987,682
Represented by:			
Cash at bank		2,415,863	1,987,682
		2,415,863	1,987,682
Statement of changes in net debt - table 10a SORP			
Analysis of changes in net debt:			
	At	Cash flows	At
	01-01-2022		31-12-2022
	£	£	£
Cash at bank	1,987,682	428,181	2,415,863
	1,987,682	428,181	2,415,863

1 Principal accounting policies

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) (effective 1 January 2019) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The Charity is a public benefit entity as defined by FRS102.

The financial statements are prepared under the historical cost convention in sterling, which is the functional currency of the charity, as modified by the inclusion of investments at market value. Monetary amounts in these financial statements are rounded to the nearest £.

No estimate used in the accounts will have a significant risk of a material adjustment to the carrying amounts of the assets & liabilities in the next financial year.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus the accounts are prepared on a going concern basis.

Group financial statements

The statement of financial activities and balance sheet consolidate the financial statements of the Trust, and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006. The parent company's result for the financial year was a profit of £705,601 (year to 31 December 2021: £1,853,081.)

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Designated funds have been set aside by management for particular operational and strategic purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Incoming resources

Donations and activities for generating funds are recognised in the period in which the Trust receives the income or when there is a reasonable assurance of receipt.

Income is deferred only when the Trust has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Legacies are included in the statement of financial activities on a receivable basis, being recognised at the point of notification of grant of probate when the Trust's interest can be measured or estimated with sufficient reliability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as liability.

Investments and investment income

Investments held as fixed assets are stated at market value. Gains and losses on investments both realised and unrealised are included in the statement of financial activities. All income arising on investments is accounted for on a receivable basis.

Resources expended

All resources expended, including irrecoverable VAT, are charged against income on an accruals basis. Expenditure is allocated directly where the costs are directly attributable, otherwise on a basis of staff usage and their allocation of time.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less their estimated residual value on a straight-line basis over their expected useful economic lives as follows:

Leasehold Property	over length of leases
Motor Vehicles	between 10% and 20% per annum
Fixtures and Fittings	between 15% and 33% per annum

No asset under £500 is capitalised.

Pensions

The Trust operates a group defined contribution pension scheme. Pension costs are charged to the Statement of Financial Activities as incurred.

Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities as incurred over the period of the leases.

2 Legacies

There is inherent uncertainty in the probate valuation of estates as a result of the nature of underlying assets and liabilities, the time that elapses between probate and closure and other contingencies that attend the estate. Legacies are recognised at the point of notification of grant of probate when it can be measured or estimated with sufficient reliability.

A total amount of legacy income of £827,054 (2021: £1,739,287) was recognised in the year, and a balance of £472,167 (2021: £163,394) was included within debtors as at the year end.

3 Activities for raising funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2022</u>
	£	£	£
Fundraising events and appeals	308,122	5,137	313,259
Retail Income (see note 6)	530,759	-	530,759
	<u>838,881</u>	<u>5,137</u>	<u>844,018</u>
	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2021</u>
	£	£	£
Fundraising events and appeals	364,227	6,742	370,969
Retail Income (see note 6)	365,119	-	365,119
	<u>729,346</u>	<u>6,742</u>	<u>736,088</u>

4 Other income

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2022</u>
	£	£	£
Government grants	2,903	-	2,903
Insurance claims	19,202	-	19,202
Lease surrender	311,486	-	311,486
	<u>333,591</u>	<u>-</u>	<u>333,591</u>
	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2021</u>
	£	£	£
Government furlough scheme	42,287	-	42,287
Government grants	71,145	-	71,145
Government kickstart scheme	40,456	-	40,456
Insurance claims	53,451	-	53,451
	<u>207,339</u>	<u>-</u>	<u>207,339</u>

5 Investment income

2022	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2022</u>
	£	£	£
Bank interest	3,426	-	3,426
	<u>3,426</u>	<u>-</u>	<u>3,426</u>
2021	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2021</u>
	£	£	£
Investment income	2	-	2
Bank interest	47	-	47
	<u>49</u>	<u>-</u>	<u>49</u>

6 Income from trading activities of subsidiary

The Trust has a wholly owned trading subsidiary, W.C.T. Wessex Limited, which is incorporated in the UK, and whose principal activity is to carry on all of the trading activities for Wessex Cancer Trust.

Its trading results for the year, as extracted from the audited financial statements, are summarised below:

Profit and Loss Account	Total 31-12-2022 £	Total 31-12-2021 £
Retail Income	530,759	365,119
Cost of Sales	(12,905)	(5,407)
Gross Profit	517,854	359,712
Expenses	(391,249)	(301,366)
Other income	2,200	121,051
Profit before taxation	128,805	179,397
Tax on profits	(1,660)	(659)
Profit for the Financial Year	127,145	178,738
Retained earning brought forward	-	11,664
Amount gift aided to the Trust	(127,145)	(190,402)
Retained profit	-	-

7 Total expenditure

2022	Staff Costs £	Depreciation £	Other Costs £	Total 31-12-2022 £
Cost of generating funds (Note 9)	355,683	6,830	328,441	690,954
Provision of services (Note 11)	409,677	-	229,437	639,114
Support costs (Note 10)	182,428	29,556	114,548	326,532
Governance (Note 10)	26,061	-	25,950	52,011
	973,849	36,386	698,376	1,708,611

2021	Staff Costs £	Depreciation £	Other Costs £	Total 31-12-2021 £
Cost of generating funds (Note 9)	469,341	15,134	28,608	513,083
Provision of services (Note 11)	304,157	-	144,249	448,406
Support costs (Note 10)	151,055	57,034	81,108	289,197
Governance (Note 10)	21,579	-	6,330	27,909
	946,132	72,168	260,295	1,278,595

8 Net Incoming Resources for the Year

	Group	
	2022	2021
This has been stated after charging:		
Operating lease rentals (Buildings)	219,219	143,844
Depreciation	36,386	72,168
Auditors remuneration		
Audit Fee	14,080	10,025
Other Services	920	850

9 Cost of generating funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2022</u>
	£	£	£
Voluntary Income			
Fundraising staff costs	158,217	-	158,217
General fundraising costs	35,548	-	35,548
Trust organised event costs	64,979	-	64,979
Advertising and publicity	28,056	-	28,056
	<u>286,800</u>	<u>-</u>	<u>286,800</u>
Trading costs:			
Staff costs	197,466	-	197,466
Other	206,688	-	206,688
	<u>404,154</u>	<u>-</u>	<u>404,154</u>
	<u>690,954</u>	<u>-</u>	<u>690,954</u>

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2021</u>
	£	£	£
Voluntary Income			
Fundraising staff costs	120,199	759	120,958
General fundraising costs	11,690	-	11,690
Trust organised event costs	66,671	-	66,671
Advertising and publicity	6,582	411	6,993
	<u>205,142</u>	<u>1,170</u>	<u>206,312</u>
Trading costs:			
Staff costs	174,192	-	174,192
Other	132,579	-	132,579
	<u>306,771</u>	<u>-</u>	<u>306,771</u>
	<u>511,913</u>	<u>1,170</u>	<u>513,083</u>

10 Allocation of support and governance costs

	<u>Total</u> <u>31-12-22</u> £	<u>Support costs</u> £	<u>Governance</u> £	<u>Basis of</u> <u>Allocation</u>
Staff Costs	208,489	182,428	26,061	Time
Office Costs	95,834	95,834	-	Usage
Computer Costs	16,278	16,278	-	Usage
Legal Fees	2,436	2,436	-	Usage
Audit	25,950	-	25,950	Usage
Depreciation	29,556	29,556	-	Usage
	<u>378,543</u>	<u>326,532</u>	<u>52,011</u>	

Charitable activities support costs are further analysed in note 11 and allocated 90% (2021 90%) Care and 10% (2021 10%) Education.

	<u>Total</u> <u>31-12-21</u> £	<u>Support costs</u> £	<u>Governance</u> £	<u>Basis of</u> <u>Allocation</u>
Staff Costs	172,634	151,055	21,579	Time
Office Costs	81,257	81,257	-	Usage
Computer Costs	8,354	8,354	-	Usage
Legal Fees	(8,503)	(8,503)	-	Usage
Audit	6,330	-	6,330	Usage
Depreciation	57,034	57,034	-	Usage
	<u>317,106</u>	<u>289,197</u>	<u>27,909</u>	

11 Analysis of expenditure on charitable activities 2022

	<u>Provision of</u> <u>services</u> £	<u>Support costs</u> £	<u>Governance</u> <u>(note 10)</u> £	<u>Total</u> <u>31-12-2022</u> £
Care	631,220	293,879	46,810	971,909
Education	7,894	32,653	5,201	45,748
	<u>639,114</u>	<u>326,532</u>	<u>52,011</u>	<u>1,017,657</u>

Provision of services

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>31-12-2022</u> £
Counselling	344,545	264,501	609,046
Complementary therapy	12,544	9,630	22,174
Health education	4,466	3,428	7,894
	<u>361,555</u>	<u>277,559</u>	<u>639,114</u>

Notes forming part of the financial statements for the year ended 31 December 2022

Note 11: Analysis of expenditure on charitable activities – continued**2021**

	<u>Provision of services</u>	<u>Support costs</u>	<u>Governance (note 10)</u>	<u>Total 31-12-2021</u>
	£	£	£	£
Care	448,406	260,277	25,118	733,801
Education	-	28,920	2,791	31,711
	<u>448,406</u>	<u>289,197</u>	<u>27,909</u>	<u>765,512</u>

Provision of services

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2021</u>
	£	£	£
Counselling	198,036	244,526	442,562
Complementary therapy	2,615	3,229	5,844
Health education	-	-	-
	<u>200,651</u>	<u>247,755</u>	<u>448,406</u>

12 Staff costs

2022	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2022</u>
	£	£	£
Salaries	725,354	161,305	886,659
National insurance	58,569	10,422	68,991
Pension costs	15,557	2,643	18,200
	<u>799,480</u>	<u>174,370</u>	<u>973,849</u>

2021	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 31-12-2021</u>
	£	£	£
Salaries	737,261	138,797	876,058
National insurance	48,557	3,373	51,930
Pension costs	17,076	1,068	18,144
	<u>802,894</u>	<u>143,238</u>	<u>946,132</u>

One employee received remuneration between £70,000 and £80,000 per annum during 2022. In the prior year, one employee received remuneration between £60,000 and £70,000.

The key management personnel of the group comprises the Trustees, the Chief Executive, Director of Fundraising and Communications, Director of Services, Director of Finance & Resources, Director of Marketing and Director of Retail. The total employee benefits of the key management personnel of the charity during the year were £303,102 (2021: £242,342).

The average number of full-time equivalent employees during the period was 42 (2021: 44).

Pension costs outstanding at the year-end were £3,295 (2021: £3,063).

Redundancy payments totalling £nil were made during the year (2021: £262).

The Trust also acknowledges the help of part time volunteers on a regular basis and various other volunteers on an ad hoc basis, without which the Trust could not operate effectively.

13 Trustees' remuneration and expenses

No Trustee received any remuneration during the year (2021: £nil). One trustee received reimbursement of £54 (2021: £nil) for travel expenses.

14 Tangible fixed assets

Group tangible fixed assets

	<u>Leasehold property</u> £	<u>Motor vehicles</u> £	<u>Fixtures & fittings</u> £	<u>Total</u> £
Cost				
At 1st January 2022	418,859	25,650	157,931	602,440
Additions	-	-	22,357	22,357
Disposals	(98,215)	-	(73,080)	(171,295)
At 31st December 2022	<u>320,644</u>	<u>25,650</u>	<u>107,208</u>	<u>453,502</u>
Depreciation				
At 1st January 2022	359,492	17,929	135,260	512,681
Charge for the period	13,740	6,147	16,499	36,386
Disposals	(98,215)	-	(73,080)	(171,295)
At 31st December 2022	<u>275,017</u>	<u>24,076</u>	<u>78,679</u>	<u>377,772</u>
Net book value				
At 31st December 2022	<u>45,627</u>	<u>1,574</u>	<u>28,529</u>	<u>75,730</u>
At 31st December 2021	<u>59,367</u>	<u>7,721</u>	<u>22,671</u>	<u>89,759</u>

Trust tangible fixed assets

	<u>Leasehold property</u> £	<u>Motor vehicles</u> £	<u>Fixtures & fittings</u> £	<u>Total</u> £
Cost				
At 1st January 2022	188,352	25,649	132,543	346,544
Additions	-	-	22,353	22,353
Disposals	-	-	(71,606)	(71,606)
At 31st December 2022	<u>188,352</u>	<u>25,649</u>	<u>83,290</u>	<u>297,291</u>
Depreciation				
At 1st January 2022	143,793	17,930	109,873	271,596
Charge for the period	6,912	6,146	16,498	29,556
Disposals	-	-	(71,606)	(71,606)
At 31st December 2022	<u>150,705</u>	<u>24,076</u>	<u>54,765</u>	<u>229,546</u>
Net book value				
At 31st December 2022	<u>37,647</u>	<u>1,573</u>	<u>28,525</u>	<u>67,745</u>
At 31st December 2021	<u>44,559</u>	<u>7,719</u>	<u>22,670</u>	<u>74,948</u>

15 Fixed asset investments

	<u>Group</u>		<u>Trust</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Fixed asset investments represent:				
Shares in subsidiary company	-	-	2	2
Listed UK Equities	23	24	23	24
Cash	114	114	113	114
	<u>137</u>	<u>138</u>	<u>138</u>	<u>140</u>

Subsidiary company:

The Trust owns 2 ordinary shares of £1 representing 100% of the issued share capital of W.C.T. Wessex Limited.

	<u>Group</u>		<u>Trust</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Quoted investments:				
Market value at 1 January	24	19	24	19
Unrealised gains / (losses)	(1)	5	(1)	5
Market value at 31 December	<u>23</u>	<u>24</u>	<u>23</u>	<u>24</u>
Historical cost	<u>119</u>	<u>119</u>	<u>119</u>	<u>119</u>

16 Debtors

	<u>Group</u>		<u>Trust</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Amounts falling due within one year				
Trade debtors	6,628	27,854	6,628	27,854
Prepayments and accrued income	188,957	56,901	145,685	29,056
Legacies accrued	472,167	163,394	472,167	163,394
Amounts due from subsidiary	-	-	77,412	176,036
Other debtors	6,566	-	5,091	-
	<u>674,318</u>	<u>248,149</u>	<u>706,983</u>	<u>396,340</u>

17 Creditors: amounts falling due within one year

	<u>Group</u>		<u>Trust</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Trade creditors	33,034	48,783	25,817	31,406
Accruals and deferred income	60,445	35,414	42,093	30,865
Other creditors	28,772	26,860	23,884	23,892
	<u>122,251</u>	<u>111,057</u>	<u>91,794</u>	<u>86,163</u>

18 Creditors: amounts falling due after more than one year

	Group		Trust	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Other creditors	-	3,620	-	3,620

19 Financial commitments

At 31 December the group had the following commitments under non-cancellable property leases:

	Group		Trust	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Payable:				
Under 1 year	129,407	200,582	80,065	96,000
Between 2 to 5 years	222,932	443,716	127,224	185,500
Over 5 years	11,439	316	11,439	-
	363,778	644,614	218,727	281,500

20 Restricted funds

	<u>Balance</u>	<u>Movement in resources</u>		<u>Transfers (d)</u>	<u>Balance</u>
	<u>1-1-2022</u>	<u>Incoming</u>	<u>Outgoing</u>		<u>31-12-2022</u>
	£	£	£		£
(a) Centres	405,790	314,676	(209,744)	(3,761)	506,961
(b) Patient Transport	23,757	10,000	(7,939)	(20,812)	5,006
(c) Outreach programmes	-	200,000	(59,876)	-	140,124
Total restricted funds	429,547	524,676	(277,559)	(24,573)	652,091

	<u>Balance</u>	<u>Movement in resources</u>		<u>Transfers (d)</u>	<u>Balance</u>
	<u>1-1-2021</u>	<u>Incoming</u>	<u>Outgoing</u>		<u>31-12-2021</u>
	£	£	£		£
(a) Centres	109,998	528,524	(230,921)	(1,811)	405,790
(b) Patient Transport	20,903	20,858	(18,004)	-	23,757
Total restricted funds	130,901	549,382	(248,925)	(1,811)	429,547

- (a) Specific funding for our centres where clients are welcomed by volunteer befrienders who are equipped to provide information, support and a listening ear. A team of specialist counsellors is on hand to help deal with the emotional impact of cancer and complementary therapies which aim to improve well-being, help with pain management, and increase self-confidence.
- (b) The Southampton and Portsmouth minibus funding supports the operation of a patient transport service.
- (c) As part of our three-year strategy, we set out an outreach programme to expand the number of communities and areas supported by the charity.
- (d) Transfers: In 2022, £20,812 relates to reclassifying transport contract income shown incorrectly as restricted funds, the balance due to IOW capital refurbishment costs and the project to reach males finished in 2021. In 2021, transfers relate to capital expenditure on the new Bournemouth Centre.

21 Statement of funds

	<u>Balance</u> <u>1-1-2022</u>	<u>Movement in resources</u>		<u>Transfers</u>	<u>Balance</u> <u>31-12-2022</u>
	£	<u>Incoming</u> £	<u>Outgoing</u> £		£
Total restricted funds	429,547	524,676	(277,559)	(24,573)	652,091
Unrestricted funds					-
Designated	609,437	-	-	590,563	1,200,000
Unrestricted funds	1,172,067	2,018,342	(1,432,713)	(565,990)	1,191,706
	1,781,504	2,018,342	(1,432,713)	24,573	2,391,706
	2,211,051	2,543,018	(1,710,272)	-	3,043,797
	<u>Balance</u> <u>1-1-2021</u>	<u>Movement in resources</u> <u>Incoming</u>	<u>Outgoing</u>	<u>Transfers</u>	<u>Balance</u> <u>31-12-2021</u>
	£	£	£		£
Total restricted funds	130,901	549,382	(248,925)	(1,811)	429,547
Unrestricted funds					
Designated	-	-	-	609,437	609,437
Unrestricted funds	235,105	2,573,854	(1,029,266)	(607,626)	1,172,067
	235,105	2,573,854	(1,029,266)	1,811	1,781,504
	366,006	3,123,236	(1,278,191)	-	2,211,051

Designated funds have been set aside by the charity out of the unrestricted legacies received during the year, to enable the charity to develop, improve and expand its reach and range of services as part of the Strategic Plan.

22 Analysis of net assets of the group's funds

	<u>Tangible</u> <u>Fixed Assets</u>	<u>Investments</u>	<u>Net Current</u> <u>Assets /</u> <u>(Liabilities)</u>	<u>Total</u> <u>31-12-22</u>
2022	£	£	£	£
Restricted funds	67,745	137	584,209	652,091
Unrestricted funds				
Designated Funds	-	-	1,200,000	1,200,000
Unrestricted funds	7,985	-	1,183,721	1,191,706
	7,985	-	2,383,721	2,391,706
	75,730	137	2,967,930	3,043,797

Note 22: Analysis of net assets of the group's funds - continued

2021	<u>Tangible Fixed Assets</u>	<u>Investments</u>	<u>Net Current Assets / (Liabilities)</u>	<u>Total 31-12-21</u>
	£	£	£	£
Restricted funds	74,948	138	354,461	429,547
Unrestricted funds				
Designated Funds	-	-	609,437	609,437
Unrestricted funds	14,811	-	1,157,256	1,172,067
	14,811	-	1,766,693	1,781,504
	89,759	138	2,121,154	2,211,051

23 Related party transactions

There were no related party transactions in the year (2021: £nil).

24 Taxation

As a charity, the Trust is exempt from Corporation Tax on profits applied to charitable purposes, under Section 505 of the Income and Corporation Taxes Act 1988. The trading company uses the gift aid scheme to transfer an element of its profits to the Trust. In 2022 the trading company distributed its taxable profits to the Trust of £127,145 (2021: £190,402) under the gift aid scheme. In the current year there is a tax liability of £1,660 in the subsidiary whilst in 2021 the tax liability of £659 was offset on reversing the deferred tax liability of £1,058.

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

	<u>Group</u>	
	<u>2022</u>	<u>2021</u>
	£	£
Net movement in funds	832,746	1,845,045
Add back depreciation charge	36,386	72,168
Deduct investment income shown in investing activities	(3,426)	(49)
Add back unrealised loss/(gain) on investments	1	(5)
(Increase) in debtors	(426,169)	(73,577)
Increase/ (Decrease) in creditors	7,574	(79,048)
Net cash inflow from operating activities	447,112	1,764,534

26 Post balance sheet events

Since the year end we have appointed Sarasin & Partners as our investment managers.