

Registered Charity Number: 1189412

Company Number: CE021793



Macmillan Caring Locally

A Charitable Incorporated Organisation

Trustees' Report and Financial Statements

For the year ended 31 December 2023

Registered Office:

Christchurch Hospital

Fairmile Road

Christchurch

Dorset

BH23 2JX

(01202) 477628

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Reference and Administrative Details

Legal Status

Macmillan Caring Locally was set up by Trust Deed dated 26 July 1974 as Macmillan Cancer Trust, registered with the Charity Commission under registration number 268218. With consent of the Charity Commission, the name was changed to Macmillan Caring Locally on 29 September 2009. On 11 May 2020 the charity converted to a CIO under registration number 1189412. On 1 January 2022 the old charity's reserves (excluding the leasehold) were transferred into the CIO.

Charity Details

Charity Registration Number: 1189412

Company Number: CE021793

Registered Office: Christchurch Hospital, Fairmile Road, Christchurch, BH23 2JX

Board of Trustees

Mr ME Emsley (Chairman)

Mrs SM Collins

Mr J Harvey

Dr AE Hickish

Mr K Wilkinson

Leadership Team

Mr NSC Williams – Trust Secretary

Mrs A Anderson ACA – Financial Controller

Mrs LC Sharp – Fundraising Director

Auditors:

PKF Francis Clark
Towngate House
2-8 Parkstone Road
Poole
BH15 2PW

Solicitors:

Steele Raymond LLP
Richmond Point
43 Richmond Hill
Bournemouth
BH2 6LR

Bankers:

HSBC
62 Commercial Road
Bournemouth
BH2 5LR

Investment Managers:

CCLA
One Angel Lane
London
EC4R 3AB

About Us

Our history

Formed in 1974, our main objective in our Trust Deed remains “the relief of people suffering from cancer or a life limiting illness or condition”.

Since formation, funds have been provided in full/part for the construction of:

- the Macmillan Unit at Christchurch Hospital in 1974. The charity continues to help maintain, equip and improve this unit.
- small units at Wimborne and Wareham hospitals.
- Poole’s Forest Holme Hospice – in conjunction with Macmillan Cancer Support
- Avon View, a nursing home adjoining Christchurch Hospital to provide step-down beds in conjunction with Dorset Council.

In 1986 Albany Lodge in Bournemouth was purchased to provide holiday accommodation for cancer patients and carers. In 2011 the provision was updated and The Grove, a 30-bed hotel in Bournemouth was purchased. After refurbishment, it opened in 2012, trading until March 2020 when it closed due to the Covid pandemic. In 2021, after unsuccessful attempts to sell the remaining lease, it reopened with a management fee being paid to the charity.

The Macmillan Unit at Christchurch Hospital is an NHS specialist palliative care unit and hospice for patients in South East Dorset and South West Hampshire. The charity, Macmillan Caring Locally works in partnership with University Hospitals Dorset (UHD) NHS Foundation Trust to provide the services at the Macmillan Unit and in our community.

What we do now

The charity has 9 staff members with a full time equivalent of 7.2. The main functions of the charity team are to fundraise or to provide administrative and finance support. One member of staff directly works with patients to provide advice on welfare benefits and another works within the aromatherapy team. The focus for fundraising is to raise about £1.8m annually to support the costs for the service delivery teams shown below. The £1.8m is principally NHS staffing costs.

Our wards at the Christchurch Macmillan Unit can accommodate 16 patients. There are 5 private rooms and a guest bedroom. Patients are admitted to the unit for many reasons including a short stay to adjust medication or for the final days and hours of life. Whatever the reason, we are there to care for them and their families in the best way possible. We care for cancer patients and those with life limiting illnesses such as Motor Neurone Disease or COPD.

Many other patients are cared for in the community or at home. The teams continue to see an increased number of patients as shown in the clinical review on page 9.

Service delivery teams where funding is provided by the Charity:

Hospital palliative care services

The Macmillan Unit is part of the wider palliative care service at UHD.

Community specialist palliative care nurses

12 specialist nurses are based in the Mac Unit and a team at UHD Bournemouth. Care is provided for patients in the unit or those wishing to stay at home. By providing support, care and medication, patients can remain comfortable whilst maintaining some independence.

Macmillan rehabilitation team

Physiotherapists, occupational therapists, and support workers help patients, both in the unit and at home, to improve their mobility, maintain their independence and feel more comfortable.

Family support team

The team of trained professionals from all different background including nursing, social work, counselling, and specialist volunteers provide flexible support to patients and families.

Aromatherapy team

Aromatherapy helps lift the mood of patients and improve wellbeing.

Chaplain

The chapel provides a haven of peace within Christchurch Hospital for all denominations, races and creeds.

Welfare benefits advice

Living with a life limiting illness can lead to financial hardship. The advisors can provide help on finances, assisting with applications for grants and benefits that patients are entitled to.

Hospice at Home team

This team of nurses and support care workers provide high quality nursing care and support for patients and families at home giving patients choice around their preferred place of care at the end of life.

Hospice at Home (H@H)

The primary aim of the H@H service is to enable patients with complex needs to die at home if it is their preferred place of care - giving them a choice and a voice about their care. The team provides care over a 24-7, 365 days a year. This care is hands-on and focused on complex palliative patients in the last 4 weeks of their life. The service was started in April 2022, initially operating during daytime hours, and expanded in January 2023 to provide a 24-hour service. In the first 18 months of the service there have been 305 referrals.

Care is also provided to some patients who are awaiting and require admission to the inpatient unit or to prevent hospital admission (crisis) pending alternative support being provided.

H@H aim to accelerate hospital or hospice discharge to enable someone who is imminently dying to get home and be cared for in their preferred place of care at the end of life.

The H@H team is small with a total of 11 full and part time staff. The caseload is fast moving and can be intense supporting patients and families/carers. Throughout emotional and psychological support is provided to the patient and families. Staff allow time to listen and gain understanding to all involved and their individual needs.

Education

We offer a range of study days and conferences facilitated by our community specialist palliative care nurses who are committed to ensuring that those who need excellent palliative care have access to it.

Our training is mapped to the latest standards in health and social care and delivered by a team of specialist nurses and doctors who are supported by a wider multi-disciplinary team. They manage patients with life limiting illnesses, who have complex symptom control issues.

During 2023, the following courses were facilitated by our clinical team:

- Principles of Palliative Care – a 2-day course run in March and September
- End of Life Medications – a half day workshop offered as a follow up to the Principles course
- Allow a Natural Death – a 1-day course training qualified staff to discuss and complete DNAR forms
- HCA Study Day – a 1-day course for Health Care Assistants
- Motor Neurone Disease Study Day – a 1-day course offering sessions from across the MND MDT community

Delegate feedback rated the courses as:

Good 2%	Very good 27%	Excellent 71%
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What we want to do

Fundraising

2024 is the celebration of our 50th year of service to our community and is a fantastic opportunity to fundraise. There are several projects underway:

- Golden Partner incentive – aimed at local business, clubs and groups. We are asking for partnered support throughout the year to both raise funds and increase awareness of the charity. We are delighted with the impressive 40+ sign up already.
- What If ... campaign – the spring appeal asking for a 12-month commitment to weekly donations of either £50 or 50p.
- The October Flutterfly ball is back for 2024 with 1974 music from the Abba tribute band that played at our very first ball.
- The diary is packed with community events including the popular June summer fete, September light up the sky and Sarah Green golf tournament and the December white Christmas dip.
- New merchandise is ready to be sold at as many events.

To assist with our presence at local events like the Christchurch Music Festival, the Christchurch Rustic Fayre and the Clifftop Music Festival, the charity are directly recruiting new volunteers. This process is ready to go with a new volunteer's handbook.

Increase Awareness

We have set an ambitious goal for fundraising in 2024 and continue to work on our strategy for marketing the charity.

Rebuild the Macmillan Unit

We aspire to rebuild the hospice at Christchurch Hospital which is reaching the end of its life. Patient referrals to our service have tripled in the last ten years. The existing unit was built in 1974 and is too small for the number of people under our care.

Designs for a new hospice were signed off in 2019, but the covid pandemic prevented progression. Since the pandemic, there has been a considerable increase in the costs of materials and labour. An initial £5m towards the rebuild was paid over to UHD in 2018 and the charity continues to receive some donations which are held in our restricted funds. £19k has been donated in 2023.

Once construction plans and costs have been revisited, the charity will relaunch active fundraising and also look to raising some of the funds from grant making trusts.

Chairman's Statement

On behalf of Trustees of Macmillan Caring Locally (MCL), it is my privilege as Chairman to present the Annual Report for the financial year ending 31st December 2023.

I must touch upon our forthcoming celebration of 50 years since the Trust was founded back in 1974, and the Macmillan Unit was built. This celebration presents many exciting opportunities for us to involve so many of our long-term and new supporters in celebrating and acknowledging just what a profound contribution the Mac Unit and the Trust have made to the lives of so many thousands of people throughout our community during this period.

Also, my thanks go to all our wonderful staff and volunteers who have been under immense pressure, particularly since Covid-19 came into our lives. Although at times short of staff and even exhausted, they are still providing such dedicated love, care and support to our patients and their families.

As the pressure on staff and bed space increased within the Unit and UHD Bournemouth Hospital, it became clear that many people would prefer to spend their precious last few days/weeks in their own homes with their families around them. So, we commenced Hospice at Home.

This service provides dedicated, tailored support to patients under special palliative care and has now been extended to 24/7. The Trust initially part funded this service and future funding is required. The Trustees believe that, based upon advice from our medical advisers, Hospice at Home is the way forward providing patients with the acute hospital care they need in the comfort of their homes. This service has relieved pressure on

the Mac Unit and Bournemouth Hospital in caring for 374 patients and saving 2,250 bed days since its inception in April 2003.

The Trustees are frustrated at the lack of progress in seeking approval to rebuild the Mac Unit. Just as designs were signed off in 2019 and the public consultation was completed, Covid -19 arrived. We have been unable to officially launch the Brick-by-Brick Appeal to fund the rebuild as costs have spiralled and design requirements have changed due to Covid. We hope to progress this issue during 2024.

Though more detail is mentioned elsewhere in this report, I would like to acknowledge all the people and organisations who have fundraised to enable us to carry on with our essential work. It is our benchmark that, currently, MCL must fundraise around £1.8m pounds every year towards staffing the palliative care services and hospice unit.

Legacies and donations are vitally important in helping us achieve our targets. I wholeheartedly thank every one of our supporters who have arranged or participated in a wide variety of events such as coffee mornings, marathon runs, skydives and collections on our behalf. Page 9 of this report celebrates these achievements.

As mentioned on page 12 of this report, a review was undertaken of the strengths and weaknesses of the Board. As a result of that review, interviews have taken place and we have invited three applicants to join the Board, taking our number to eight. They will be formally appointed to the Board during 2024.

Trustees' Report

Clinical Services

The numbers of patients cared for by our services are as follows:

Statistic	2023	2022
Patients referred to the whole palliative care service*	1582	1530
Patients admitted to Mac Unit	365	367
Community team visits*	2258	2250
Community patient's average days in our care	83	96
Patients seen by the hospital palliative care team	778	787
Patients seen by end-of-life clinical nurse specialists	695	685

*includes numbers for Hospice at Home patients

Fundraising

We have once again received incredible support from our major donors and special mention must go to the following:

- The Macmillan White Christmas Dip – started in 2008 by Tommy Baker and John White, this has become an annual event with over 1,100 participants in 2023 and a fabulous £22,000 donated. From humble beginnings in 2008 when only 8 people took part, the fancy dress Christmas dip at Boscombe pier has raised £335,000 to date and is embedded in the charity's calendar.
- The Sarah Green Golf Tournament – in memory of Sarah who died in 2003, aged 31, with her last days being spent in the Macmillan Unit. Her brother, Anthony Rogers, is the driving force behind the 18 hole, 3/4 handicap competition held at Iford Golf course every September. Thank you for the £12,000 raised this year and over £152,000 donated to the charity since the event started.
- The Beach Hut Café – Jo and Ron Smith have been raising funds for us in their very popular café, the Beach Hut at Friars Cliff for 18 years. Holding summer coffee mornings and a Christmas morning special event they attract donations from hundreds of people coming to the beach promenade, for whom for many it is a family tradition. Ron with his amazing photographic skills also creates a beach calendar sold to benefit our charity. This year has seen a further £11,000 of donations in support.

- Diamond Divas – this 20-strong choir based in Highcliffe has spent 10 years singing in support of our charity. They perform in care homes, local churches, WI groups and supermarkets. Thank you for your support again this year.
- Bournemouth GASP – this group have supported our charity since the unit opened in the 1970s. Thank you.

Whilst this highlights some of the larger donations to the charity this year, we are immensely proud and thankful for each of the individuals and organisations that have donated funds to us. We could not provide the services without your support.

Our corporate support continues to strengthen, and we have had continued partnerships this year with The Captains Club, JP Morgan, Bellway Homes, Boscombe Charity Shop, The Marsham Court Hotel, Haskins Garden Centre and Heritage Investments. Many of these companies have signed up in 2024 as Golden Partners.

Proactive trusts fundraising has stalled a little in 2023 and will not be able to be a priority in 2024. However, we have been fortunate to receive several grants in 2023 as follows:

- The Greendale Foundation - £20k for general funds
- The Albert Hunt Trust - £10k for Hospice at Home
- Haskins Family Foundation - £7k for a new kitchen in the patients' lounge
- The Hospital Saturday Fund - £2k for training – Jane Young coaching
- The TH Russell Trust - £5k for general funds
- The Alice Ellen Cooper Dean Foundation - £5k for Hospice at Home

Volunteering

2023 has seen volunteering grow steadily as we begin to recover from the pandemic period.

In 2023, 77 volunteers have provided 2392.5 hours in the following roles in the Macmillan Unit:

- Ward support – serving refreshments and meals to patients on the inpatient unit
- End of Life companions and Activities support – sitting with patients who may be lonely or agitated and needing company or distraction.
- Garden and equipment maintenance –upkeeping the garden brings year-round joy and tranquillity to patients, relatives, visitors, and staff.
- Community-based roles – including community patient telephone support, patient shopping and supporting the Virtual Day Centre.
- Admin and Ward Clerk support
- Patient and Family Support Team and Chaplaincy – supporting the Memorial Services at the Chapel. Bereavement support including the Stepping Stones group and provision of volunteer counselling.
- Charity events – supporting fundraising at community events.

Two volunteers have been awarded the Room to Reward recognition for their contribution to supporting Macmillan unit's patients and family members.

In addition, volunteers have been managing stock and displays at the charity stall in the Christchurch Bridge Street Emporium. This has raised £4,527 in 2023 for the charity.

Financial Review

Income for the year ended 31 December 2023 was £2,622,539, a decrease of £2,025,783 from the previous year (excluding £1,096,446 fund transfer per note 5), largely attributable to a decrease in legacies of £2,055,185. 2022 was an exceptional year for the charity with 2 very significant legacies. 2023 legacy income has fallen to the more normal level. The charity has seen a squeeze on donations with the cost-of-living crisis with reductions in unrestricted donations of £86,751 and also amounts given for the restricted rebuild fund which were £34,634 lower year-on-year. The importance of hospice care to the local community continues to be reflected in the support of loyal donors, fundraisers and customers. However, by their very nature, these income streams do fluctuate.

The surplus for the year is £348,106 and, where these funds are not needed for the continuing operations of the charity, they will be invested for the future rebuild project.

Total net assets of the charity therefore increased by £348,106 from £4,010,548 in 2022 to £4,358,654 in 2023.

The cash flow statement shows a net cash inflow of £620,060 compared to a net cash inflow of £2,617,384 in 2022. As explained in note 5, the £2,67,384 in 2022 includes £2,457,346 of cash transferred from the old charity. The charity has capitalised on the higher interest rates available to savers and increased the amount of investment income from £2,597 in 2022 to £62,127 in 2023. The charity will continue to pursue an active investment strategy to maximise income going forwards. Also, the charity will ask its supporters, where possible, to sanction gift aid claim on top of their donations.

The charity is looking to the future and is conscious that the ambition to rebuild the Macmillan Unit at Christchurch has become more expensive. The charity is looking to generate annual surpluses of around £500k to enable this dream to become a reality in a reasonable space of time and has set an ambitious financial target for 2024, its 50th anniversary year.

Reserves policy

Our reserves policy is to hold unrestricted free reserves to cover 12 months of operating costs. This policy is considered sufficient having taken into account the variable nature of legacies. This means that the charity has to keep in hand about £2m of cash on relatively short-term deposit. As at 31st December, the charity has £3,758,608 in unrestricted free reserves which meets our required reserves policy of 12 months of expenditure.

The Board of Trustees will continue to actively review the risks faced by the charity and discuss these in relation to our reserves level.

Structure, Governance and Management

Macmillan Caring Locally's governing document is a Trust Deed dated July 1974, as subsequently amended in 2018. Following receipt of professional advice and agreement by the Charity Commission, the Trust established a Charitable Incorporated Organisation (CIO) in May 2020. The assets and business of the Trust were transferred on 1 January 2022 and registered with the Charity Commission with registration number 1189412.

The Board

The Board currently comprises five Trustees. A list of Trustees who have served during the year can be found on page 3 and further information about their backgrounds, experience and interests can be found on the Macmillan Caring Locally website.

In 2023, a review of the Board's strengths and weaknesses was undertaken and an advertisement for new Trustees was developed. As a result of this, the Board conducted an interview process early in 2024 to widen the Board's capacity.

All Trustees give their time freely and no remuneration was paid during the year in respect of their position as Trustee.

Governance

The Board of Trustees are responsible for the overall strategy and policies of the charity and meet four to six times a year. Responsibility for the day-to-day management of the Trust is delegated to the Trust Secretary.

Trustees set the remuneration policy of the Trust annually considering matters such as performance, cost of living and charity market factors.

Trustees set the investment policy of the Trust in the context of the overall budget and reserves policy. Day-to-day management is delegated to the Financial Controller.

Trustees are encouraged to visit the Macmillan Unit regularly and to familiarise themselves with the work of the Trust, in addition to being informed by regular bulletins and updates. Briefings are given at all the Board meetings by the Leadership team, UHD consultants and staff and other advisors where necessary.

Trustees have carefully considered the fundraising activities of the charity and have made the decision to not employ external fundraisers. There is a small team of Trust employees who fundraise for the charity under the supervision of the Trust Secretary and Fundraising Director. Fundraising policies are monitored by the Trustees who would be briefed with reports on any complaints received and any actions taken. No complaints have been received to date.

Public Benefit

Charity Trustees have a duty to carry out their charity's purposes for the public benefit. The charity has undertaken, within its objects and purposes, and free of charge to users, the support of people with a diagnosis of cancer or a life limiting illness. This report has set out our activities during the year and further details can be found on our website www.macmillanlocal.org.

The Trustees are therefore satisfied the public benefit requirement is fulfilled.

Risk Management

The Trustees consider annually a statement of the major risks to which the charity is exposed and consider the actions to be taken in mitigation of these risks.

Disclosure of Information to Auditor

Each Trustee has taken the steps they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm there is no relevant information they know of and which they know the auditor is unaware.

Responsibilities of the Directors and Trustees

The trustees (who are also the directors of Macmillan Caring Locally 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 15th April 2024 and signed on its behalf by:

.....
Mr ME Emsley
Chairman

Independent Auditor's Report to the Members of Macmillan Caring Locally

Opinion

We have audited the financial statements of Macmillan Caring Locally (the 'charity') 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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; 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 14), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the sector in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity. As part of this, we reviewed the Charity's website for an indication of any regulations in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity legislation, health and safety regulations and breaches of The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities SORP - FRS 102.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and trustees regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year.
- Discussed with management if any health and safety incidents have been recorded during the year.
- Review of the GDPR policy and enquiries to management as to the occurrence of any reportable breaches.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Reviewed Board minutes.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Reviewed estimates and judgements made in the accounts for any indication of bias.

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

Use of our report

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

.....
Daniel Tout FCA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

23 April 2024

Statement of Financial Activities- Year Ended 31 December 2023

(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	2	2,390,442	19,145	2,409,587	4,561,970
Investment income	3	62,127	-	62,127	2,597
Other income	4	145,111	5,714	150,825	83,755
Transfer from predecessor organisation	5	-	-	-	1,096,446
Total income		2,597,680	24,859	2,622,539	5,744,768
Expenditure on:					
Raising funds	6	(67,230)	(255)	(67,485)	(37,204)
Charitable activities	7	(2,233,972)	(1,992)	(2,235,964)	(1,697,016)
Total expenditure		(2,301,202)	(2,247)	(2,303,449)	(1,734,220)
Gains on investment assets	13	29,016	-	29,016	-
Net income		325,494	22,612	348,106	4,010,548
Net movement in funds		325,494	22,612	348,106	4,010,548
Reconciliation of funds					
Total funds brought forward	17	3,433,114	577,434	4,010,548	-
Total funds carried forward	17	3,758,608	600,046	4,358,654	4,010,548

The notes on pages 23 to 30 form an integral part of these financial statements.

Statement of Financial Activities- Year Ended 31 December 2023

(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	2	4,508,191	53,779	4,561,970
Investment income	3	2,597	-	2,597
Other income	4	73,755	10,000	83,755
Transfer from predecessor organisation		582,791	513,655	1,096,446
Total income		5,167,334	577,434	5,744,768
Expenditure on:				
Raising funds	6	(37,204)	-	(37,204)
Charitable activities	7	(1,697,016)	-	(1,697,016)
Total expenditure		(1,734,220)	-	(1,734,220)
Net income		3,433,114	577,434	4,010,548
Net movement in funds		3,433,114	577,434	4,010,548
Reconciliation of funds				
Total funds carried forward	17	3,433,114	577,434	4,010,548

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 17.

The notes on pages 23 to 30 form an integral part of these financial statements.

Balance Sheet as at 31 December 2023

(Registration number: CE021793)

	Note	2023 £	2022 £
Fixed assets			
Investments	13	779,016	-
Total fixed assets		779,016	-
Current assets			
Debtors	14	679,547	1,942,411
Cash at bank and in hand		3,237,444	2,617,384
Total current assets		3,916,991	4,559,795
Creditors: Amounts falling due within one year	15	(337,353)	(549,247)
Net current assets		3,579,638	4,010,548
Net assets		4,358,654	4,010,548
Funds of the charity:			
Restricted income funds			
Restricted funds		600,046	577,434
Unrestricted income funds			
Unrestricted funds		3,758,608	3,433,114
Total funds	17	4,358,654	4,010,548

The financial statements on pages 19 to 30 were approved by the trustees, and authorised for issue on 15th April 2024 and signed on their behalf by:

.....
Mr M E Emsley
Chairman

The notes on pages 23 to 30 form an integral part of these financial statements.

Statement of Cash Flows for the Year Ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		348,106	4,010,548
Adjustments to cash flows from non-cash items			
Investment income	3	(62,127)	(2,597)
		285,979	4,007,951
Working capital adjustments			
Decrease/(increase) in debtors	14	1,262,864	(1,942,411)
(Decrease)/increase in creditors	15	(211,894)	549,247
Net cash flows from operating activities		1,336,949	2,614,787
Cash flows from investing activities			
Interest receivable and similar income	3	62,127	2,597
Purchase of investments	13	(750,000)	-
Revaluation of investments	13	(29,016)	-
Net cash flows from investing activities		(716,889)	2,597
Net increase in cash and cash equivalents		620,060	2,617,384
Cash and cash equivalents at 1 January		2,617,384	-
Cash and cash equivalents at 31 December		3,237,444	2,617,384

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 23 to 30 form an integral part of these financial statements.

Notes to the Financial Statements – Year Ended 31 December 2023

1 Accounting policies

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Macmillan Caring Locally meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets.

Disclosure of long or short period

As disclosed in note 5 the assets and liabilities of Macmillan Caring Locally (charity) were transferred to Macmillan Caring Locally (CIO) on 1 January 2022. The comparative period financial statements cover a period of 16 months as the year-end was changed from August to December to align with the Macmillan Caring Locally (charity), the first 4 months of which were dormant.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. Where a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting year.

Legacy gifts are recognised on a case-by-case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings, they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting year, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer

settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post-retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations to major appeals	-	19,145	19,145	53,779
Donations from individuals	618,870	-	618,870	705,621
Legacies	1,729,483	-	1,729,483	3,784,668
Gift aid reclaimed	42,089	-	42,089	17,902
	<u>2,390,442</u>	<u>19,145</u>	<u>2,409,587</u>	<u>4,561,970</u>

3 Investment income

	Total 2023 £	Total 2022 £
Interest receivable and similar income;		
Deposit interest	57,232	2,597
Dividends	4,895	-
	<u>62,127</u>	<u>2,597</u>

4 Other income

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Grant income	47,218	5,714	52,932	10,000
Rental income	75,000	-	75,000	73,755
Education and courses	8,130	-	8,130	-
Other income	14,763	-	14,763	-
	<u>145,111</u>	<u>5,714</u>	<u>150,825</u>	<u>83,755</u>

5 Transfer from Macmillan Caring Locally (Charity)

On 1 January 2022 the assets and liabilities of Macmillan Caring Locally (Charity) were transferred to Macmillan Caring Locally (CIO) at the following values:

	2022 £
Stock	3,325
Current assets (excluding bank and cash)	311,367
Bank and cash	2,467,346
Liabilities	(1,685,592)
	<u>1,096,446</u>

6 Expenditure on raising funds

	Total 2023 £	Total 2022 £
Costs of trading activities:		
Property rental income costs	37,042	37,204
Costs of Emporium	1,604	-
Fundraising and bank fees and charges (In 2023 £255 from Restricted funds)	10,633	-
Direct fundraising costs	18,206	-
	<u>67,485</u>	<u>37,204</u>

7 Expenditure on charitable activities

	2023 £	2022 £
Staff costs	315,687	336,365
Grove expenses	19,072	4,122
Garden	1,671	2,771
Equipment costs including repairs	13,526	5,818
Professional fees	24,356	6,767
Patients expenses	63,113	14,738
Volunteers travelling	2,216	4,396
Christmas	-	3,537
Contribution to UHD salaries for Macmillan Unit and palliative care services	1,730,580	1,256,660
Staff travelling (In 2023 £69 from Restricted funds)	2,274	654
Office and stationery	12,743	16,251
Telephone	3,716	3,716
Subscriptions	3,958	4,218
Training costs (In 2023 £1,923 from Restricted funds)	16,447	5,953
Insurance	5,470	6,193
Sundry expenses	6,877	6,791
Governance costs – Note 8	14,258	18,066
	<u>2,235,964</u>	<u>1,697,016</u>

8 Analysis of governance costs

	2023 £	2022 £
Audit fees		
Audit of the financial statements	14,100	13,200
Other fees paid to auditors	158	4,866
	<u>14,258</u>	<u>18,066</u>

9 Net incoming/outgoing resources

Net incoming/outgoing resources for the year include:

	2023 £	2022 £
Audit fees	14,100	13,200
Other non-audit services	158	4,866

10 Trustees' remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	269,289	291,889
Social security costs	20,548	22,873
Pension costs	25,850	21,603
	<u>315,687</u>	<u>336,365</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2023 No	2022 No
Charitable activities	<u>9</u>	<u>8</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £64,257 (2022 - £61,491).

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Fixed asset investments

	Listed investments	Total £
Market value as at 1 January 2023	-	-
Additions at cost	750,000	750,000
Change in value in the year	29,016	29,016
Market value at 31 December 2023	<u>779,016</u>	<u>779,016</u>
Historical cost at 31 December 2023	<u>750,000</u>	<u>750,000</u>

14 Debtors

	2023	2022
	£	£
Trade debtors	671,742	1,938,917
Prepayments	7,805	3,494
	<u>679,547</u>	<u>1,942,411</u>

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	3,920	414,699
Other taxation and social security	6,542	6,527
Other creditors	82,300	45,259
Pension scheme creditor	2,601	4,043
Accruals	241,990	78,719
	<u>337,353</u>	<u>549,247</u>

16 Commitments**Other financial commitments**

As shown in note 19, the Trust has commitments to University Hospitals Dorset (UHD) for staff costs under existing agreements. Discussions are taking place with UHD regarding future financial contributions to staff, services and the rebuilding of the Unit.

17 Funds

	Balance at 1	Incoming	Resources	Gains on	Balance at 31
	January 2023	resources	expended	investments	December
	£	£	£	£	2023
					£
Unrestricted funds					
General	3,433,114	2,597,680	(2,301,202)	29,016	3,758,608
Restricted funds	<u>577,434</u>	<u>24,859</u>	<u>(2,247)</u>	<u>-</u>	<u>600,046</u>
Total funds	<u>4,010,548</u>	<u>2,622,539</u>	<u>(2,303,449)</u>	<u>29,016</u>	<u>4,358,654</u>

	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds			
General	5,167,334	(1,734,220)	3,433,114
Restricted funds	577,434	-	577,434
Total funds	5,744,768	(1,734,220)	4,010,548

The specific purposes for which the funds are to be applied are as follows:

Capital appeal - £592,038 to be used specifically for the capital appeal and the construction of the new Macmillan unit.

Staff welfare - £8,008 to be used specifically for staff training.

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Fixed asset investments	779,016	-	779,016
Current assets	3,316,945	600,046	3,916,991
Current liabilities	(337,353)	-	(337,353)
Total net assets	3,758,608	600,046	4,358,654

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Current assets	3,982,361	577,434	4,559,795
Current liabilities	(549,247)	-	(549,247)
Total net assets	3,433,114	577,434	4,010,548

19 Related party transactions

During the year the charity made the following related party transactions:

University Hospitals Dorset (UHD)

The Trust works closely with UHD. The administrative offices of the Trust are based at Christchurch Hospital. During the year the Trust contributed £1,730,580 to UHD staff costs and services under existing agreements (2022 - £1,256,660).

At the balance sheet date the amount due to University Hospitals Dorset (UHD) was £223,473 (2022 - £64,133).