

Charity registration number: 268218

Macmillan Caring Locally

Annual Report and Financial Statements

for the Period Ended 31 December 2021

Macmillan Caring Locally

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 6
Statement of Trustees' Responsibilities	7
Independent Auditors' Report	8 to 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Financial Statements	14 to 23

Macmillan Caring Locally

Reference and Administrative Details

Legal Status

Macmillan Caring Locally was set up by a Trust Deed dated 26 July 1974 as Macmillan Cancer Trust as a charitable trust and is registered with the Charity Commission under registration number 268218. The name was changed with the consent of the Charity Commission on 29 September 2009.

Trustees

Mr M E Emsley (Chairman)

Mr J J K Harvey

Mrs J Kelleway

Mr K Lomas

Mr K T Wilkinson

The original trustees were as set out in the Trust Deed, and subsequent trustees have been appointed by resolution of the current trustees.

Secretary

Mr N S C Williams

Other Officers

Mr B G Ford FCA, Treasurer

Principal Office

Macmillan Unit
Christchurch Hospital
Christchurch
Dorset
BH23 2JX

Charity Registration Number

268218

Solicitors

Lester Aldridge
Russell House
8 Oxford Road
Bournemouth BH8 8EX

Bankers and Investment Managers

HSBC Bank Plc

Auditors

Francis Clark LLP
Chartered Accountants & Statutory Auditors
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Macmillan Caring Locally

Trustees' Report

The Trustees present their report and the audited financial statements of the charity for the period ended 31 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published.

The Trustee resolved to change the year end for the Charity from 31 August to 31 December, so these financial statements cover a 16 month period.

Trustees

Mr M E Emsley (Chairman)

Mr J J K Harvey

Mrs J Kelleway

Mr K Lomas

Mr K T Wilkinson

Objectives and Activities

The Trust, which was formed in 1974 has its main objective set out in the Trust Deed which, with the approval of the Charity Commission, was amended in 2019 and can be summarised as "the relief of people suffering from cancer or a life limiting illness or condition".

Since formation, the Trust has concentrated principally on the Macmillan Unit at Christchurch Hospital, the construction of which it funded and which it has continued to maintain, equip and improve. Funds have also been provided to enable small units to be constructed on hospitals at Wimborne and Wareham. In addition, in partnership with what is now Macmillan Cancer Support, funds were provided to enable Forest Holme, a hospice adjoining and part of Poole Hospital, to be constructed.

Funds were also provided to Dorset County Council to assist in the building of Avon View, a nursing home adjoining Christchurch Hospital, to provide "step down" beds for those discharged from the Macmillan Unit.

Over many years the Trust has provided funds to the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust and Poole Hospital NHS Foundation Trust, now merged to form University Hospitals Dorset (UHD), to enable the employment of consultants, doctors and nurses, including home care nurses, and to assist in the purchase of medical equipment and services for the benefit of those falling under the Trust's objects.

In 1986 the Trust acquired Albany Lodge in Bournemouth which was used to provide holiday accommodation for cancer patients and their carers. As matters progressed it was decided that Albany Lodge was not suitable and in 2011 The Grove in Bournemouth, a 30 bedroom hotel was purchased. After considerable refurbishment the hotel opened in 2012 and traded until March 2020 when it was closed following the COVID 19 pandemic. In October 2020 the decision was made not to re-open the hotel and all staff were made redundant. In June 2021, following attempts to sell the remaining period of the lease, an arrangement was made for the hotel to re-open under new management with a management fee being paid to the Trust.

Contributions have been made to other charities and appeals with similar objectives.

Public Benefit Statement

The Trustees have given due regard to public benefit when planning activities and requests for support in accordance with the Charity Commission's guidance on Public Benefit.

The section below sets out some of our activities during the period and further details can be found on our website (www.macmillanlocal.org). All of these are directly related to the objects and purposes for which the charity exists. The charity achieves these objects and purposes through funding provided to assist patients in the Macmillan Unit, part of the NHS and free to all patients referred, and in respect of funding for staff and facilities again part of the NHS and free to all patients. In addition, The Grove, run on a non-profit basis by the trust accepted guests from all areas on a subsidised basis.

Macmillan Caring Locally

Achievements and Performance

During the period the Trust continued its support of services provided at the Macmillan Unit by funding the costs of the community specialist palliative care sisters, UHD palliative care service, the Macmillan rehabilitation team, the family support team, the aromatherapy team and welfare benefits advice.

This support was affected by the changes brought about by the COVID 19 pandemic. Following the closure of the Day Centre on 23rd March 2020 to patients attending, it has been replaced by a 'virtual Day Centre' run by the Day Centre Nursing team. During the first lockdown the Macmillan Unit at Christchurch was closed and the service moved to the Derwent Ward at the UHD site in Bournemouth, re-opening in Christchurch on 21st May 2020 with many changes in procedures having taken place.

The grateful thanks of the Trustees are due to the service provided by the Consultants, Doctors, Nursing team, and all the staff at the Macmillan Unit for the way they coped with these major disruptions, whilst continuing to provide the excellent and compassionate service to patients for which the Unit is renowned.

As mentioned above, following the initial enforced closure of the Grove Hotel caused by the pandemic, the Trustees took the difficult decision to close The Grove permanently as it was felt that even when permitted to re-open, the measures that would have to be put in place, coupled with the vulnerable nature of the prospective guests, made it unlikely that the same atmosphere could be maintained and the increased costs of operating and therefore increased losses, would be too much for the reduced income of the Trust and would be a drain on funds otherwise available for the key objectives of the Charity.

The Volunteer project continued with yet more volunteers aiding the work at the Unit and The Grove Hotel. Volunteers are always available to visit patients at home, as well as assisting in the Unit by sitting and talking to patients to provide valuable emotional support. Volunteer drivers have in the past made their own valuable contribution by bringing patients into the Day Centre, providing transport for patients and carers who have no transport of their own, and by assisting the fundraising team collecting and delivering collection boxes. The pandemic initially put a stop to the use of volunteers, but this has now re-commenced on a limited basis

With the closure of the Day Centre and restrictions imposed by the pandemic, the involvement of volunteers has been limited to tending the garden and provided limited support to patients in the community. The support and commitment of the remaining volunteers is appreciated and contributed over 1400 hours at an estimated benefit to the Trust of £13,000.

The Trust continues to be grateful to the many organisations and individuals who fundraise on behalf of the Trust. In addition to the many long running events, such as the White Christmas Dip, the Beach Hut Café Christmas open day, and the Sarah Green golf tournament, many more people have organised events large and small to raise funds.

Although the designs for the new Macmillan Unit, to be built at Christchurch Hospital, were signed off in 2019 the advent of the pandemic stopped the building tendering process, and lessons learnt in operating during the pandemic have caused the original designs to be revisited. On receipt of Planning Permission, now expected in 2022, the Capital Appeal, Brick by Brick, will be formally launched with a target of raising some £6m to add to the £5m already handed over to UHD in 2018 and a further £513,655 raised by the Trust.

The grateful thanks of the trustees are due to all staff who work tirelessly to help the Trust achieve its objectives.

Financial Review (including reserves policy).

During the period, the Trust, after making provisions for all known obligations, received £10,520 more than it spent (2020 – spent £1,060,091 more than it received) in fulfilling its objectives. After taking account of investment sales the accumulated fund now stands at £2,283,736.

Following the decision to close The Grove permanently, the Trust has, regrettably, been forced to make all employees at The Grove redundant at a total cost to the Trust, including accrued holiday pay, payment in lieu of notice and redundancy of £201,104 of which £104,980 is charged for in these financial statements.

The advent of the pandemic stopped many fundraising efforts by supporters and thanks are due to those who are finding increasingly imaginative ways of raising funds.

Macmillan Caring Locally

Major Donors

The Macmillan White Christmas Dip

Special mention must be made of the organisers of the annual Macmillan White Christmas Dip, Tommy Baker and John White. The White Christmas Dip started in 2008 on Christmas Day morning when John White, who had recently been diagnosed with cancer, was visiting some of his family who all decided to join the Bournemouth Spartans in their annual Christmas morning swim. John White, along with his son, also named John, and nephews Tommy Baker, Harry Baker, Berni Mendieter and Joe Hardwick found some old fancy dress outfits and decided to partake in fancy dress.

They arrived at Boscombe Pier ready to charge into the sea to find there was nobody around. After waiting for 30 minutes, they took to the cold waters joined by Andy Corbett who was cycling along the promenade, for their very own Christmas day swim. After the success of this first Christmas dip, Tommy decided with his family that taking to the seas was a fitting way to see the whole family on Christmas day and a good way to get some fresh air on a day that was usually spent indoors.

In 2009 they took to the sea on Christmas morning again with more of their family and friends but saw an opportunity to raise money for charity, whilst taking part in an activity that brought the whole family together on Christmas Day. The White Christmas Dip was born and continues to grow year on year.

After humble beginnings in 2008 when 7 people took part, in 2019 the event attracted 1,200 participants and many thousands of spectators. The event was cancelled in 2020 due to the pandemic, but returned in 2021 with over 800 participants, raising some £30,000. Since the event began, the White Christmas dip has raised £295,000 for our charity.

The Sarah Green Golf Tournament

This very popular annual golf tournament, held in memory of Sarah Green, has raised £126,000 since it was established 18 years ago, missing only 2020 due to the pandemic.

Sarah green was 31 years old when she died in 2003 and the tournament was set up by her family and friends. Sarah spent her final days at the Macmillan Unit and her family wanted to raised funds for Macmillan Caring Locally in her memory. Sarah's brother Anthony Rogers is the driving force behind the 18 hole, 3/4 handicap competition which is held at Iford Golf course each September.

He said "The first tournament was organised as a way of celebrating Sarah's life and simply thanking the Unit and its staff for their wonderful care. I don't think any of us could have imagined what a success it would become, how well supported it would be and how much money it would raise over the years".

The tournament involves family members, friends and local companies who come together to compete for the Sarah Green Trophy (many teams in fancy dress!) and also to enjoy dinner and entertainment. We are so grateful to have the phenomenal support of all who organise the tournament and it is an event we look forward to every year.

The Beach Hut Café

Jo and Ron Smith have been raising funds for the Macmillan Unit in their very popular café, the Beach Hut at Friars Cliff for 17 years. They hold coffee mornings in the summer and on Christmas morning every year they host a very special event offering mulled wine and mince pies in exchange for donations. This popular event attracts hundreds of people to the beach promenade, and for many it is a family tradition.

Ron is an accomplished photographer, and every year he creates a calendar of his photographs of the beach and sells them in aid of our charity. The 2021 Christmas morning event including calendar sales raised over £9,000, taking their total fundraising to over £90,000.

Diamond Divas

The Diamond Divas ladies' choir has raised over £45,000 for the Macmillan Unit. The 20-strong choir, based in Highcliffe, has for the last eight years been performing in aid of Macmillan Caring Locally. Their concerts traditionally take place in care homes, local churches, and WI groups, as well as local supermarkets at Christmas.

Macmillan Caring Locally

During lockdown the choir was unable to perform, but simply diversified their talents and continued to fundraise through socially distanced stalls at their front gates and by making reusable facemasks- projects which together have netted over £45,000 for our charity.

Bournemouth Gasp

Bournemouth Gasp, formerly known as Bournemouth Gilbert and Sullivan Operatic Society have supported our charity each year since the Macmillan Unit opened in the seventies and continue to do so today. Each year in December they visit local groups in the community to perform a repertoire of Christmas carols for donations to our charity.

Sadly during lockdowns, they were unable to perform in 2020, but we were delighted that they could resume spreading Christmas joy in the lead up to Christmas in 2021.

The Trust would also like to thank the organisations and individuals who offered their support through the pandemic in so many ways, either financially, delivering gifts for patients and staff, and making personal protection equipment.

In addition, the Trust is grateful to the following organisations who have helped the Trust through grants in support of our objectives:

Ridgeon Family Endowed Fund-£2,500

Burry Charitable Trust-£3,990

T H Russell Charitable Trust-£10,000

Masonic Charitable Foundation-£1,500

Mark Benevolent Fund-£1,000

Mackay and Brewer Charitable Trust-£8,953

Edward Gostling Foundation-£5,000

The Trust continued to benefit from support through the Coronavirus Job Retention Scheme in respect of employees at both the Trust and at The Grove to the extent of £50,855 during the period.

Further support was received in respect the continuation of a donation shortfall retrospective funding scheme set up by the NHS which was accessed in partnership with UHD to the extent of £11,140 in this period.

The Trustees are grateful to those who have worked hard to secure this income and to the organisations that have provided it.

It had been the policy of the Trust to maintain sufficient reserves to meet immediate commitments for 3 years but following the substantial donation of funds to UHD to support the rebuild of the Macmillan Unit the Trust will now maintain sufficient funds to meet its obligations on an annual basis on the basis that no further income accrues to the Trust.

As previously mentioned, a Capital Appeal, for which much preparatory work has been done, and indeed some donations have been received, will be launched with a target of £12,000,000 towards the rebuilding of the Macmillan Unit. The Trust has already contributed £5,000,000 from its reserves towards this.

The results for the period have been reduced by the inclusion of £758,917 being legacies received after the year end in 2020, which would not have been included had the financial statements been approved and authorised for issue in December 2020, in accordance with our normal timetable. The delay in approval, caused mainly by the Coronavirus pandemic has meant that under the provisions of the SORP an additional amount of legacies, due at the year end, could be quantified and included. Under normal circumstances this amount would have been accounted for in these financial statements.

Plans for future periods

As mentioned, the Trusts has as its focus the raising of additional funds to enable the rebuild to go ahead, and to maintain a flow of income to provide the funds for the day- to -day activities of the Trust. A new agreement has been entered into with UHD providing certainty over the method of funding the salaries of those members of staff the Trust has agreed to support.

Macmillan Caring Locally

Structure, Governance and Management

The trust is currently governed by its Trust Deed of July 1974, as amended subsequently.

The Trust currently has five Trustees and new trustees have been appointed to fill vacancies following a review of skills needed and a formal selection process in accordance with Charity Commission recommendations.

The Trust, with appropriate professional advice, has established a new Charitable Incorporated Organisation, into which the assets and business of the Trust have been transferred as at 1 January 2022, following agreement of the Charity Commission. The new Charity is registered with the Charity Commission, number 1189412.

The Trustees delegate day to day responsibility for management of the Trust to the Trust Secretary.

The Trustees have carefully considered the fundraising activities of the Charity and have decided not to employ external fundraisers. A number of the Trust team are employed as fundraisers for the Trust. Fundraising policies are monitored by the Trustees who would receive reports on any complaints received and the actions taken. To date, no such complaints have been received.

Fundraising for day to day activities is carried out under the supervision of the Trust Secretary, supported by other staff and the Treasurer.

As mentioned elsewhere in the report, preparations are being made for the launch of a Capital Appeal towards the rebuild of the Macmillan Unit. Appropriate registrations, policies and safeguards are being put in place by the Capital Appeal Manager which will be reviewed by the Trustees when considering the Capital Appeal Strategy.

The Trustees set the remuneration policy of the Trust annually, taking into account matters such as performance, the cost of living, other charity remuneration and any other relevant factors.

The trustees set the investment policy of the Charity from time to time with day to day management being delegated to the Treasurer.

The Trustees have continued to monitor the implications of the GDPR regulations and their impact on the trust.

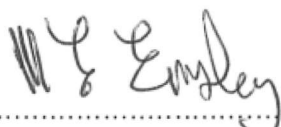
Trustees had been meeting formally four times a year, but have been meeting virtually on a regular basis since the pandemic, and have responsibilities for all policy matters concerning the Trust.

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

Trustees are encouraged to visit the Macmillan Unit regularly to familiarise themselves with the work of the Trust, in addition to being informed by regular bulletins. Briefings are given at Trustees meetings by Consultants and senior staff.

Briefings and training on Charity Law and any other matters is available to all Trustees.

The Annual Report was approved by the trustees of the Charity on 25 April 2022 and signed on its behalf by:



.....
Mr M E Emsley (Chairman)
Trustee

Macmillan Caring Locally

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 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 Charities Act 2011. The trustees 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.

Approved by the trustees of the Charity on 25 April 2022 and signed on its behalf by:



.....
Mr M E Emsley (Chairman)
Trustee

Macmillan Caring Locally

Independent Auditors' Report to the Members of Macmillan Caring Locally

Opinion

We have audited the financial statements of Macmillan Caring Locally (the 'charity') for the period ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows, 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 2021 and of its results for the period 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 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Macmillan Caring Locally

Independent Auditors' Report to the Members of Macmillan Caring Locally

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements.

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 responsibilities of trustees set out on page 7, 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's 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.

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

As part of our 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.

Macmillan Caring Locally

Independent Auditors' Report to the Members of Macmillan Caring Locally

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 period.
- Discussed with management if any health and safety incidents have been recorded during the period.
- 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/auditorsresponsibilities. 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)
PKF Francis Clark, Statutory Auditor
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Date: 5 May 2022

Macmillan Caring Locally

Statement of Financial Activities for the Period Ended 31 December 2021 (Including Income and Expenditure Account)

	Note	Restricted funds £	Unrestricted funds £	Total 2021 (Period) £	Total 2020 (Year) £
Income and Endowments from:					
Donations and legacies	2	-	2,403,307	2,403,307	2,439,963
Charitable activities	4	-	50,294	50,294	434,571
Investment income	3	-	49,416	49,416	55,752
Capital appeal	5	72,828	-	72,828	119,044
		<u>72,828</u>	<u>2,503,017</u>	<u>2,575,845</u>	<u>3,049,330</u>
Expenditure on:					
Raising funds	6	-	(98,818)	(98,818)	(46,268)
Charitable activities	7	-	(2,464,994)	(2,464,994)	(2,937,311)
Capital appeal		(1,513)	-	(1,513)	(65,505)
Other expenditure	14	-	-	-	(1,060,337)
Total Expenditure		<u>(1,513)</u>	<u>(2,563,812)</u>	<u>(2,565,325)</u>	<u>(4,109,421)</u>
Net income (expenditure)		71,315	(60,795)	10,520	(1,060,091)
Other recognised gains and losses					
Revaluation of investment assets	15	-	-	-	(72,334)
Profit (Loss) on sale of investment asset		-	40,490	40,490	-
Net movement in funds		<u>71,315</u>	<u>(20,305)</u>	<u>51,010</u>	<u>(1,132,425)</u>
Reconciliation of funds					
Total funds brought forward		<u>442,340</u>	<u>1,790,386</u>	<u>2,232,726</u>	<u>3,365,151</u>
Total funds carried forward	20	<u>513,655</u>	<u>1,770,081</u>	<u>2,283,736</u>	<u>2,232,726</u>

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

The funds breakdown for 2021 is shown in note 20.

The notes on pages 14-23 form part of these financial statements.

Macmillan Caring Locally

(Registration number: 268218) Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	1,187,290	1,280,228
		<u>1,187,290</u>	<u>1,280,228</u>
Current assets			
Investments	15	-	1,374,274
Stocks	16	3,325	10,918
Debtors	17	311,367	969,880
Cash at bank and in hand		2,467,346	483,043
		<u>2,782,038</u>	<u>2,838,115</u>
Creditors: Amounts falling due within one year	18	(1,685,592)	(1,885,617)
Net current assets		<u>1,096,446</u>	<u>952,498</u>
Net assets		<u>2,283,736</u>	<u>2,232,726</u>
Funds of the Charity:			
Unrestricted income funds			
Unrestricted income funds	20	1,770,081	1,790,386
Restricted income funds			
Restricted income funds	20	513,655	442,340
Total funds		<u>2,283,736</u>	<u>2,232,726</u>

The notes on pages 14-23 form part of these financial statements.

The financial statements on pages 11 to 23 were approved by the trustees, authorised for issue on 25 April 2022 and signed on their behalf by:



Mr M E Emsley (Chairman)
Trustee

Macmillan Caring Locally

Cash Flow Statement for the Period Ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		51,010	(1,132,425)
Adjustments to cash flows from non-cash items			
Depreciation and impairment	4/14	62,712	1,116,705
Loss on sale of tangible fixed assets	4	12,001	-
Profit on the sale of investments		(40,490)	-
Investment income	3	(49,416)	(55,752)
		<u>35,817</u>	<u>(71,472)</u>
Working capital adjustments			
(Increase)/decrease in stocks	16	7,593	(102)
(Increase)/decrease in debtors	17	658,513	(549,861)
Increase/(decrease) in creditors	18	(200,025)	695,191
Net cash flows from operating activities		<u>466,081</u>	<u>145,228</u>
Cash flows from investing activities			
Interest receivable and similar income	3	176	396
Purchase of tangible fixed assets	14	-	(12,169)
Sale of tangible fixed assets		18,225	-
Sale of Investments		1,414,764	-
Revaluation of investments	15	-	72,334
Income from dividends	3	49,240	55,356
Net cash flows from investing activities		<u>1,482,405</u>	<u>115,917</u>
Net increase in cash and cash equivalents		1,984,303	189,673
Cash and cash equivalents at 1 September 2020		<u>483,043</u>	<u>293,370</u>
Cash and cash equivalents at 31 December 2021		<u>2,467,346</u>	<u>483,043</u>

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

The notes on pages 14-23 form part of these financial statements.

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Basis of preparation

Macmillan Caring Locally is a registered charity, registration number 268218, registered in the United Kingdom. The address of the charity is given in the reference and administrative details on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees annual report.

The charity constitutes a public benefit entity as defined by FRS 102. 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 on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

As explained in the Trustees Report the board has considered the uncertainty relating to the coronavirus pandemic and its impact on the charity's operations and finance in the short to medium term. In the opinion of the board with grant funding received due to Coronavirus, significant fund raising efforts and proactive cash flow management, the charity has sufficient working capital to continue to meet its financial obligations and pay its liabilities as they fall due for the foreseeable future (defined as 12 months from the date of approving these financial statements) and therefore the financial statements have been prepared on a going concern basis.

Income and endowments

Voluntary income including donations, gifts and legacies that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations including receipts for the capital appeal and gifts are recognised when receivable by the charity.

Legacies are recognised in the year in which probate has been granted and where also the legacy has been received before the financial statements have been approved, or where there is sufficient evidence that it will be received and the amount can be ascertained with sufficient reliability.

Investment income

All investment income is recognised on a received 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 and those incurred in trading activities that raise funds.

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

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.

In the case of contributions to staff costs the total commitment is included in accordance with the terms of the agreement.

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.

Tangible fixed assets

Individual fixed assets are recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leaseholds and additions	over the term of the lease
Grove fixtures and fittings	15% - 20% reducing balance
Motor vehicles	20% reducing balance

Current asset investments

Current asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

Trade debtors

Trade debtors are amounts due from services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. 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.

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

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 period, 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.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds that are designated by the board for particular purposes.

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

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2 Income from Donations and Legacies

	Unrestricted Total 2021 £	Unrestricted Total 2020 £
Donations and legacies:		
Legacies	1,655,346	1,869,072
Donations and other voluntary income	709,992	454,927
Grants and Miscellaneous	37,969	115,964
	<u>2,403,307</u>	<u>2,439,963</u>

The total of legacies has been reduced by £758,917, being legacies received after the year end in 2020, which would not have been included had those financial statements been approved and authorised for issue in December 2020, in accordance with our normal timetable. The delay in approval, caused mainly by the Coronavirus pandemic has meant that under the provisions of the SORP an additional amount of legacies, due at the year end, could be quantified and included. Under normal circumstances this amount would have been accounted for in these financial statements.

3 Investment Income

	Unrestricted Total 2021 £	Unrestricted Total 2020 £
Income from dividends:		
Dividends receivable from investments	49,240	55,356
Interest receivable on bank deposits	176	396
	<u>49,416</u>	<u>55,752</u>

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

4 Income from charitable activities

	2021	2020
	£	£
Grove Hotel		
Income:		
Sales	-	221,290
Sundry income	-	13,563
Management fees, Grants and CJRS recoveries	50,294	199,718
Total income	50,294	434,571
Expenditure:		
Cost of sales	-	(42,839)
Staff costs including redundancies and other termination payments	(278,843)	(703,516)
Other costs including heating, lighting, maintenance and security	(112,497)	(209,189)
Depreciation and loss on sale of vehicle	(62,712)	(50,328)
Total expenditure	(454,053)	(1,005,872)
	(403,759)	(571,301)

5 Capital appeal

	Restricted Total 2021 £	Restricted Total 2020 £
Capital appeal donations	72,828	119,044

6 Expenditure on raising funds

Costs of generating donations and legacies

	Total 2021 £	Total 2020 £
Cost of generating donations and legacies		
Support costs (see note 8)	98,818	46,268

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Expenditure on charitable activities

	Total 2021 £	Total 2020 £
Grove Hotel (see note 4)	454,053	1,005,872
Medical and other equipment	18,149	7,371
Patients' activities and support	13,562	19,132
Garden maintenance	2,175	1,034
Aromatherapy	52,682	27,728
Volunteers travelling costs	408	9,395
Subscriptions	3,122	642
Courses, other training and counselling	11,965	10,854
Christmas expenses	5,778	4,859
Minibus running costs	1,413	2,652
Loss on disposal	12,001	6,040
Support costs (see note 8)	197,636	119,908
Contribution to Macmillan Unit staff costs	1,540,970	1,636,454
Benefits service	52,263	45,400
Governance costs (see note 8)	98,818	39,970
	<u>2,464,994</u>	<u>2,937,311</u>

8 Analysis of governance and support costs

	Cost of generating voluntary income £	Charitable activities £	Governance £	2021 Total £	2020 Total £
Salaries, honorarium and pensions	79,122	158,243	79,122	316,487	152,048
Printing, postage and stationery	4,619	9,239	4,619	18,477	16,131
Insurance	957	1,915	957	3,829	3,886
Telephone	710	1,421	710	2,841	3,028
Audit	1,618	3,235	1,618	6,471	5,577
Professional fees	10,350	20,700	10,350	41,400	11,778
Staff travelling	111	221	111	443	926
Sundry expenses	1,331	2,662	1,331	5,324	6,474
2020/2021	<u>98,818</u>	<u>197,636</u>	<u>98,818</u>	<u>395,272</u>	<u>199,848</u>
2019/2020	<u>39,970</u>	<u>119,908</u>	<u>39,970</u>	<u>199,848</u>	

The Trust allocates its support costs as shown in the table above and apportions those costs between activities undertaken. Support costs are allocated on a basis consistent with the use of resources.

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

9 Net incoming/(outgoing) resources

Net incoming/(outgoing) resources for the period include:

	2021 £	2020 £
Audit fees	(6,471)	(10,137)
Profit on disposal of investments	40,490	-
(Loss) on revaluation of investments	-	(72,334)
Depreciation and loss on disposal of fixed assets	(74,713)	(56,368)
Impairment of fixed assets	-	(1,060,337)
Operating lease	(49,387)	(51,512)

10 Trustees remuneration and expenses

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

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

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the period were:		
Wages and salaries	525,505	830,318
Social security costs	45,923	53,533
Pension costs	45,271	68,608
	<u>616,699</u>	<u>952,459</u>

The monthly average number of persons (including senior management team) employed by the Charity during the period was as follows:

	2021 No	2020 No
Charitable activities	<u>12</u>	<u>44</u>

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

The total employee benefits of the key management personnel of the Charity were £87,246 (2020 - £58,884).

12 Auditors' remuneration

	2021 £	2020 £
Other fees to auditors		
Audit-related assurance services	<u>6,471</u>	<u>10,137</u>

13 Taxation

No tax was charged in the period (2020 - £nil).

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2020	1,494,045	482,283	67,447	2,043,775
Disposals	-	-	(67,447)	(67,447)
At 31 December 2021	1,494,045	482,283	-	1,976,328
Depreciation				
At 1 September 2020	295,864	430,462	37,220	763,546
Charge for the period	45,222	17,490	-	62,712
Disposals	-	-	(37,220)	(37,220)
At 31 December 2021	341,086	447,952	-	789,038
Net book value				
At 31 December 2021	1,152,959	34,331	-	1,187,290
At 31 August 2020	1,198,181	51,821	30,227	1,280,228

15 Fixed asset investments

	Listed investments £	Total £
Cost or Valuation		
At 1 September 2020	1,374,274	1,374,274
Disposal	(1,374,274)	(1,374,274)
At 31 December 2021	-	-

16 Stock

	2021 £	2020 £
Stocks	3,325	10,918

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

17 Debtors

	2021 £	2020 £
Income tax recoverable	9,981	7,803
Other debtors	301,386	962,077
	<u>311,367</u>	<u>969,880</u>

18 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	<u>1,685,592</u>	<u>1,885,617</u>

19 Commitments

Other financial commitments

As shown in note 23, the Trust has commitments to University Hospitals Dorset (UHD) for staff costs under existing agreements. Discussions are taking place with the UHD regarding future financial contributions to staff, services and the rebuilding of the Unit.

As at 31 December 2021 the charity had annual commitments under non-cancellable operating leases on its land and buildings. The lease on these ends in 2089 and the total commitment, calculated on the basis of the current rent is £2,490,940 (2020 - £2,546,500). This is not provided in the financial statements.

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

20 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds						
<i>Unrestricted general funds</i>						
Unrestricted Funds	1,790,386	2,503,017	(2,563,812)	-	40,490	1,770,081
<i>Restricted Funds</i>						
Restricted Funds	442,340	72,828	(1,513)	-	-	513,655
Total funds	<u>2,232,726</u>	<u>2,575,845</u>	<u>(2,565,325)</u>	<u>-</u>	<u>40,490</u>	<u>2,283,736</u>
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2020 £
Unrestricted funds						
<i>Unrestricted general funds</i>						
Unrestricted Funds	2,976,350	2,930,286	(4,043,916)	-	(72,334)	1,790,386
<i>Restricted Funds</i>						
Restricted Funds	388,801	119,044	(65,505)	-	-	442,340
Total funds	<u>3,365,151</u>	<u>3,049,330</u>	<u>(4,109,421)</u>	<u>-</u>	<u>(72,334)</u>	<u>2,232,726</u>

Restricted funds: The restricted funds are funds that are to be used specifically for the capital appeal and the construction of the new Macmillan unit.

Macmillan Caring Locally

Notes to the Financial Statements for the Year Ended 31 December 2021

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,187,290	-	1,187,290
Fixed asset investments	-	-	-
Current assets	2,268,383	513,655	2,782,038
Current liabilities	(1,685,592)	-	(1,685,592)
Total net assets	1,770,081	513,655	2,283,736

22 Analysis of net funds

	At 1 September 2020 £	Cash flow £	At 31 August 2021 £
Cash at bank and in hand	483,043	1,984,303	2,476,346
Net debt	483,043	1,984,303	2,476,346

23 Related party transactions

During the period 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 £1,540,970 (2020: £1,636,454) to UHD staff costs and services under existing agreements. At the balance sheet date, the amount due to UHD was £1,605,770 (2020 - £1,558,014).