



Willen Hospice  
always there to care

**Willen Hospice**  
(A company limited by guarantee)  
**Report and Financial Statements**  
**Year ending 31 March 2021**

**Charity number: 270194**  
**Company number: 01231909**

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### Acronyms:

IPOS – Integrated Palliative Outcome Scale  
MKCCG – Milton Keynes Clinical Commissioning Group  
CHC – Continuing Healthcare  
CCG – Clinical Commissioning Group  
CHKS – Comparative Healthcare Knowledge System

## Legal and Administrative Details

Willen Hospice is a company limited by guarantee and a registered charity governed by its Memorandum & Articles of Association. The Directors of the charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Company registration number: 01231909

Charity registration number: 270194

Registered Office: Milton Road  
Willen Village  
Milton Keynes  
MK15 9AB

Trustees:

P Davis (Chairman) <sup>1, 2, 7</sup>  
I Philpott <sup>1, 4, 6, 7</sup>  
M Stevenson <sup>1, 2, 4</sup>  
R Gilbert <sup>1, 4, 7</sup>  
G Ball <sup>1, 2, 7</sup> (Resigned December 2020)  
C Dunn <sup>3</sup>  
M Rogers <sup>1, 5, 7</sup>  
S Carbert <sup>1, 2, 7</sup>  
J Wood <sup>2</sup>  
A Coombes <sup>1</sup>  
C White-Robinson <sup>3</sup>  
M Esam <sup>1</sup>

- 1 Member of Business Development Committee/WHV Ltd Board
- 2 Member of General Purposes & Finance Committee (Including IM&T)
- 3 Member of People Services Committee
- 4 Member of Property Committee
- 5 Member of Clinical Governance Committee
- 6 Member of Health & Safety Committee
- 7 Integrated Governance Committee

Company Secretary: P Wilkinson

## Legal and Administrative Details (continued)

Bankers:	Barclays 4 The Waterside Way Bedford Road Northampton NN4 7XD
	NatWest 501 Silbury Boulevard Saxon Gate East Milton Keynes MK9 3ER
	Metro Bank One Southampton Row London WC1B 5HA
	Handelsbanken 2nd Floor Clifton House 4A Goldington Road Bedford MK40 3NF
Solicitors:	Geoffrey Leaver Solicitors 251 Upper Third Street Bouverie Square Milton Keynes MK9 1DR
Independent Auditor:	Mercer & Hole Chartered Accountants & Registered Auditor 420 Silbury Boulevard Milton Keynes MK9 2AF
Investment Advisors:	Rathbones 8 Finsbury Circus London EC2M 7AZ
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

## Chairman's Annual Report

Last year has represented the most unprecedented year in the life of our Hospice in the 40 years since the Hospice opened. Since the end of the preceding financial year, we have seen the opening up of the first national lockdown in June 2020, and a subsequent further lockdown in January 2021, in response to the national restrictions arising from the impact of the COVID 19 pandemic.

Throughout that period, the Hospice has remained fully open, and both our In-patient, support and Willen at Home teams have worked tirelessly and diligently in caring for those in need of our services. It goes without saying that this has proved to be extremely challenging in providing the continuity of care which the people of Milton Keynes and the surrounding area have come to expect of the charity, but they have carried out effectively and diligently, with true compassion throughout the period.

In terms of the impact of the lockdown and pressures on the healthcare community generally, I therefore would like to thank, on behalf of the trustees and the Milton Keynes community, the dedication of the frontline staff in delivering those services, and those working with the wider healthcare community throughout the period. Whilst we do not know, at this point, the eventual outcome of the pandemic, the senior management team (SMT) have put in place a robust operational structure to ensure that the Hospice will remain fully focused on those key service provisions, whatever the future might hold, To ensure that the hospice is *"always there to care"*.

The Hospice would not be able to function effectively without its staff, its supporters, and the wider Milton Keynes community. The management, governance and financial stability of the Hospice have been carefully organised by the SMT and trustees during the period, and again, I would like to pay a tribute and thanks to the hard work and selfless input of everyone involved, including fundraising teams, and especially, our volunteers and supporters, who have had to come up with novel ways of ensuring funds continue to flow to maintain and improve service levels to our service users throughout the period. The fundraising and retail teams continue to come up with and novel ways of raising money including virtual activities, and the opening of new retail outlets, as legislation permitted.

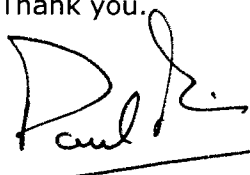
The detail of the Hospice' activities and its funding, achieved during the period, are set out more comprehensively in the following pages to this document, and I never cease to be amazed by the quality and scope of the work undertaken by everyone during these difficult times. The Hospice has been extremely fortunate, in keeping with other similar organizations, to have received funding through Hospice UK, to sustain the operational funding requirements of the organization. Additionally, we have been extremely fortunate to receive notification of a significant number of legacies, on which we are coming to rely as an important stream of funding, in the last quarter of the financial year, which meant that our financial position improved, when compared to the previous year end.

As mentioned in last year's report, the "Building a Legacy" development project was deferred until the spring of 2021 when the level of the requirement of the Hospice to retain capacity for Inpatient care became more apparent. Having assessed the financial position of the Hospice at that point, I'm delighted to report that the £4m project was restarted, and is underway, with the first phase of the redevelopment scheduled to reopen during spring 2022. Details of the development scheme are set out in our website, and will mean that all patients and their families, will have much improved facilities and opportunities for care at any time during their care journey. Significant legacies and ongoing donations and funding have allowed us to go forward with this project, from accumulated surpluses; The improvement in the quality and range of facilities provided will enhance the ability for us to provide more care, more effectively, to our service users and their families, be they

inpatients or outpatients. The creation of additional spaces within the new building will allow us to provide more support for the whole family as well as giving the opportunity to patients, to improve mental well-being and independence. The Hospice is proud we have been given the opportunity to be able to repay the support of its donors, patrons and volunteers with care, suitable for the 21<sup>st</sup> century, be it at the Hospice or in the community. In summary, the Hospice has come through this period of the pandemic, with pride in the level of service that it has given to its users, and with the opportunity of our moving forward to strengthen the provision of palliative care and associated services for the benefit of the Milton Keynes and wider community.

I would therefore simply like to thank all staff, patrons, donors and volunteers, who have again tirelessly worked for and supported the Hospice in the past 12 months, and would implore you to continue to do so in the future. The Hospice is "*always there to care*"; in the final analysis, Willen is your Hospice, something which we will never take for granted.

Thank you.

A handwritten signature in black ink, appearing to read 'P Davis', with a horizontal line underneath.

P Davis  
**Chairman**

28 October 2021

## **Trustees' Report for the year ended 31 March 2021**

The Trustees are pleased to present their annual Trustees' Report together with the consolidated financial statements of the charity for the year ended 31 March 2021, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102) (effective 1 January 2019).

### **Our objectives and activities**

The objects of the charity are:

- To promote the relief of sickness and suffering resulting in particular from terminal illness.
- To conduct or promote research into the care and treatment of persons suffering from any illness, disease or infirmity and in particular into the care and treatment of persons suffering from cancer or terminal illness and the publication of the useful results of such research.
- The vision that shapes our annual activities remains to be the lasting and thriving provider of free care to all people affected by life limiting illness in our community. This will be made possible by a community working together continually to share in the delivery of the most assuring, equally accessible and advanced care available. The charity also has the general aim of contributing to the quality of life of the people of Milton Keynes by responding to the needs and aspirations at the end of their lives.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Hospice relies on a number of income streams including grant funding from the Milton Keynes Clinical Commissioning Group, profits from Willen Hospice Ventures Ltd through retail, events, fundraising and lottery activity. Furthermore, through donations, gifts in memory, regular giving, corporate support, legacies and grants, we endeavour to encourage all within our community to take part in our activities and to attend our events to support our objectives.

As part of its Strategic Plan for 2021-23, the Senior Management Team implemented the following key objectives which we prioritise in our organisational Strategy and 3 Year Business Plan:

#### **Deliver safe and effective care**

- Develop and deliver a clear pathway into our service for all current and potential users
- Increase IPU occupancy without increasing length of stay
- Utilise IT to increase capacity and enable us to support more people
- Increase the number of people we support in the community
- Develop a skills escalation programme to deliver skilled specialist palliative care professionals

#### **Engage users and deliver effective outcomes**

- Roll out new strategy of themed audits for patient feedback
- Roll out the Personalisation strategy
- Explore the potential of I want great care

#### **Focus on Excellence, quality, compliance and safety**

- Support the organisation to ensure clinical standards are monitored and reviewed and address any shortfalls
- Renew CHKS accreditation to demonstrate the quality of our services and the governance of our organisation.
- Develop an education programme to deliver MK End of Life strategy
- Minimise the risk of patient falls within the IPU
- Develop the safeguarding agenda within the organisation
- Increase patient safety ensuring compliance with incident reporting

#### **Develop and Integrate our Holistic Services**

- Implement the modular based Therapeutic and Wellbeing services
- Ratify strategies for all service areas
- Develop and deliver MK Council bereavement service
- Develop and deliver a Cancer Care in the community

#### **Attracting, retaining and engaging high quality staff and volunteers**

- Ensure we meet all statutory/legislative requirements and minimise risk through the safe management of ER issues
- Implement the volunteer strategy and increase engagement
- Integrate CIPHR and payroll functionality
- Develop PERCI core functionality
- Support the delivery of the Learning Management System

#### **Driving growth in sustainable income**

- Re-configure events and challenges programme in the light of COVID19
- Implement the targeted stewardship programme for regular givers
- Grow legacy income by delivering the Legacy Strategy
- Develop and implement a major donor strategy
- Develop and deliver a Trust and Foundation strategy
- Maximise net profit in retail
- Develop and deliver corporate cross functionality to maximise value to the Charity
- Grow Lottery profit through improved efficiencies and corporate engagement

#### **Driving efficiency through technology resources, planning and controls**

- Maximise technology and mobile working through the implementation of phase 2 of the IM&T Road Map
- Deliver the Well Capital Project
- Maximise Gift Aid
- Delivered compliance with the Data Protection and Security Toolkit to ensure security and appropriate use of data.
- Deliver the "Go Paperlite" programme, eliminating inefficient paper-based processes
- Integrate wherever possible databases to drive efficiencies and accuracy
- Reviewed our procurement practice to deliver savings.

#### **Volunteers at Willen Hospice**

Without the time and commitment of volunteers, we could not make good on our promise to always be there to care. The hospice receives the support of 420 volunteers, who contribute to every area of Willen Hospice's endeavours and are critical to business success. Clearly COVID19 has had a huge impact on our volunteers ability to support the Hospice. We are so grateful to all who have supported us throughout the pandemic including the huge range of volunteers provided by Community Action MK.



Volunteers are both patient facing and work within support services, as well as being fundamental in the delivery of retail and fundraising activities.

Our 420 volunteers provide over 41,638 hours of support, which represents a cost saving of £395,561.

## Strategic Report 2020/21 Annual Report

### Achievements and performance

The Hospice is commissioned by Milton Keynes Clinical Commissioning Group (MKCCG); we receive £1.3 million with approximately £25,000 being subject to a quality review. Our performance is measured on four domains on which we report, on a quarterly basis:

- Preventing premature death;
- Enhancing the quality of life for people with long term conditions;
- Ensuring that people have a positive experience of care; and
- Treating and caring for people in a safe environment and protecting them from avoidable harm.

The remaining monies, £5.8 million, to fund our operating costs, are raised from the community through our fundraising and retail endeavours.

Our overall aim is to provide high quality personalised care and support to ensure that people feel in control of whatever remains of their life.

#### Impact of Willen Hospice's Service Delivery

This last year has been both complex and difficult dealing with the problems that COVID had presented. We are amazed and grateful for the fantastic response we have received from staff and volunteers who have been incredible in their dedication to supporting patients, their families and loved ones throughout one of the most difficult periods in history.

We appreciate the problems that people have faced dealing with the trauma of people's lives being turned upside down and social norms being completely undermined. They have adapted brilliantly to the situations presented to them and have created alternative models of care to support people whilst observing all of the COVID regulations. All teams have been truly amazing and have put themselves out rather than first for which we are truly grateful. We are trying hard to ensure that we have a programme of support for our staff to face the issues going forward and we are grateful for Trustees' support in this.

We also appreciate the dedication of Business Development staff who have had to deal with so many difficulties in fundraising and garnering support. They have worked so hard and done so much to adjust their difficult circumstances with shops being shut and people unable to engage in the normal activities that sustain our stable sources of income. We commend our superb volunteers who have been amazing in the face of adversity and allowed us to keep the organisation functioning and able to raise funds.

#### IPU

The team have undertaken a strategic review of the skills mix and delivery criteria in order to meet the demands of increasing acuity and complexity. We have embedded providing single nurse drug administration ensuring that drug rounds are carried out safely and effectively but releasing more staff to provide much needed hands on care. They have reviewed the handover and discharge procedures to provide more effective continuity of care and to enable patients and their families to plan more effectively. The teams are also undertaking verification of death training. We have made significant progress in terms of infection control and have managed the COVID situation well, keeping the unit open throughout the COVID period.

We wish to commend the team for their hard work and dedication throughout this very difficult time. Their professionalism and compassion is a huge credit to them.

### **Willen @ Home Team**

The team have continued to embed the new ways of working to great effect and have increased their case load and the number of interventions to support people. They have implemented 'nurse notification of death', which has supported both the primary and community care systems and patients' families and loved ones. Non-medical prescribing is also supporting our GP colleagues by reducing their case load as is our telephone triage system.

During the year the team have adapted their service delivery to provide a safe and effective service to patients in their own homes. On-line and telephone services have supported patients very effectively and ensured that people have had the support they need.

The service has grown and developed to provide support for people earlier in their journey. The team continue to offer a palliative service to people in their own homes, community settings and the hospital. They continue to work closely with the breast care team to support early diagnosis and better outcomes. The team are continuing to provide much needed education to patients, their families and health care professionals.

We wish to commend the team for their hard work and dedication throughout this very difficult time. Their professionalism and compassion is a huge credit to them.

### **Therapeutic and Wellbeing Services**

It has been a big year of change and development within the Therapeutic & Wellbeing Directorate which was newly formed at the beginning of 2019. The year began by bringing together different teams across the hospice under one banner and the appointment of a new Associate Director.

The first half of the year was business as usual alongside a review and development of a new strategic direction for the service which was delivered and agreed in the Autumn of 2019. The underpinning principles of the service is to provide more patients and their families with a holistic assessment of their needs and the provision of a stratified personalised programme of care based on their needs. Part of the new service structure included the development and delivery of the new cancer care in the community service commissioned by the local CCG. The team were transitioning into the new structure when Covid-19 arrived in the UK. This service will support people to get the help they need when discharge from hospital care it will be a mix of direct support and signposting to other organisations.

### **Quality, Governance and Performance**

The quality team have:

- Introduced a compliance structure to capture data through an electronic incident management system. Since its introduction, we have been able to collate accurate data and observe trends in our reporting systems, practices, and identify themes and risk scores to improve practice.
- Restructured the audit process and audit calendar for efficiency.
- Reviewed the Hospice policy process and management of the policy structure to be more effective.
- Audited the departmental risk assessments regularly to increase compliance and review. In doing this, we can reassure the H&S Committee of the safety practices implemented to reduce risk.
- Reviewed the Quality schedule by standardising the report templates for the CCG for an easier read.

- Improved complaints pathway implementing the risk score to embed risk assessment as part of everyday practice.

### **Practice Development**

- During 2020/21 we have continued to facilitate mandatory training, updating the contents of the clinical mandatory training day. Nurses in both the community and in-patient unit have attended verification of death training. The Syringe driver group have continued with regular session again to ensure nurses are competent in this area of key skill. Mental capacity Act Training has been updated to reflect the audit findings.
- Various members of the clinical team have worked collaboratively with hospital and community nursing colleagues to teach Sage & Thyme at the medical school, to sessions for both medical students and other health & social care professionals in Milton Keynes.
- Externally we have taught an End Of Life session in a care home, which will be repeated. We have also taught a session on bereavement to a local GP practice and have spoken to second year student nurses about the learning opportunities in a hospice placement. There have been big changes to pre-registration nurse education, a session to support nurses in this role ran at the hospice to upskill nurses.
- A two day symptom management course was open to both hospice nurses and nurses working in the community locally.
- The City & Guilds End of Life course has run twice during the year for Macintyre and also for Milton Keynes Council.
- We have developed and delivered a programme of support for Macintyre focusing on the principles and interventions to support people with a learning disability.
- Advanced Care planning education has continued with regular sessions at the hospice, at the memory clinic and an entire day of Advanced Care Planning education, as part of Dying Matters week 2020.

### **Patient and Families Views of Our Service**

#### **IPU**

*"The doctors were always kind, patient and ready to listen to concerns. The nurses were all kind, and ready with extra pain relief if needed. A wonderful place, thank you."*

#### **Lymphoedema**

*'All very thorough and explained in a lovely relaxed manner. Put at ease.'*

*'The care that I have received is amazing. All the staff are caring and approachable. This input enables me to cope in many other ways from week to week. How does one explain how much this help is valued?'*

#### **Willen at Home**

*"All staff were extremely helpful and did what was asked and more. My sister and I are so grateful for all their help with my uncle's last days"*

*"We were treated with care and compassion"*

*"Given a new lease of life. A lovely kind experience"*

### **Income generation success**

As a Hospice we rely greatly on the generosity of the community to help us raise the additional £5.8 million we need to ensure we are always there to provide our vital services to patients and their loved ones. We've significantly raised our profile via integrated campaigns, strategic partnerships and high value media relations.

### **Community**

During a year when people did not meet face to face, community fundraising was a real struggle. Covid-19 had not just reduced the opportunities to fundraise at organised events but also severely hampered the desire of third parties to organise events on our behalf during the brief windows where social activity was permitted.

Despite this, the team fought to keep income as high as possible, notably securing marshallings contracts for the vaccination centre as well as donations from traditional supporters. This managed to keep income loss reduced to minimum levels.

As 2021/22 has started, the vaccination clinics have remained a strong supply of income as well as modest increase in events taking place, whilst third party events are yet to grow to their original size.

### **Events Fundraising**

At few points during the Covid-19 pandemic was it legal to host large scale events, and at even fewer, was it advisable. Despite this, the events team innovated greatly across the board to create virtual versions of the events portfolio and socially distant opportunities to remember loved ones.

The tireless effort of the team managed to keep reinventing our calendar to ensure income stayed relatively close to target, despite few opportunities to do so. Further, Milton Keynes and surrounding areas are continuing to expect Willen Hospice to put on quality Mass Participation Events.

Moving into 2021/22, more events can take part, however we remain patient as individuals grow their confidence in attending events with large numbers of participants.

### **Challenge Fundraising**

Whilst most challenges did not take place during 2020/21, there was some fantastic innovation from the team to ensure any opportunity for income was seized. Events such as the virtual London Marathon raised over £25k, which is fantastic compared to the original target. Due to COVID restrictions, many of our challenge fundraisers embraced the chance to take part in their own virtual challenges. This included a family running, cycling and also swimming in the family pool each tied to a long piece of elastic; over £2000 raised.

The events and challenge fundraisers planned and executed a new virtual event- 48 hour relay in partnership with Energie Fitness. This was great fun, gained us new supporters and raised over £12000. This event will be repeated in 2021 and future years

Some income from delayed challenges should be beneficial for future finances, and there are some green shoots of event participation in 2021/22; however, it is expected that challenges involving travel on public transport will continue to struggle.

### **Individual Giving and In Memory Fundraising**

Tree of Life, Regular Donors and Tribute funds managed to remain stable throughout 2020/21, as the primary nature of their fundraising was relatively unchanged by the pandemic.

Despite this, in-memory fundraising and general donations had a strong response from the general public, who dug deep to ensure their local hospice didn't just survive, but was able to respond to the unexpected crisis brought about by Covid-19.

### **Commercial**

The impact of enforced shop closures and our ability to trade has had a manifest impact on our performance however, we are grateful for the CCG and Government support. Our inspirational teams of colleagues and volunteers have maximised some significant opportunities which has propelled our growth in retail to record levels.

Using the excellent offices of our superb and creative teams, we created new business models and new opportunities, opened a shop/café concept in Woburn Sands run by volunteers who did a fantastic job. We also opened a unit at Grafton Gate on a free-of-charge lease, which continues to provide a vital source of additional income.

Excellent progress has been made with our buying and procurement strategy and we have made strides in using our technological capability to better understand our customers buying habits.

### **Lottery**

Fantastic performance during the last year with excellent figures for the Summer and Winter draws. The team were amazing given the loss of sales in our retail units.

### **Corporate**

Excellent donations from Corporate Supporters in terms of stock, services and external colleagues support time at a really tough time to stay in touch.

### **Legacies**

At £962,435, the Legacy income in 2020/21 was higher than both the budget and the previous year's income. We continued with the strategy of engaging the support of a network of Legacy Partners which had started to see success in the previous year; however, with limited face-to-face meetings due to the pandemic, we were more successful in maintaining existing Partners, though Initial contact was made with several new prospects.

We had Legacy staff resource of just 16 hours per week in 2020/21, however, we are now recruiting a full-time Fundraiser, so will have more resource to develop this pool of Legacy Partners. We continued to broaden the type of supporter who might be a Legacy Partner. They are those who meet with clients when they are making financial decisions at important points in their life, including the more obvious such as solicitors, will-writers and wealth managers, but also the less obvious, such as mortgage advisors.

Our online Will-writing service launched in September 2020, has provided a good alternative method for our supporters to write their Wills, and particularly useful during the pandemic, as it is a safe, contact-free way to write a Will. When launched Kwil, our online Will-writer was providing free Wills to our supporters during both of our Will Month promotions, they have since extended this to an all-year promotion.

Our Legacy Pack, launched the previous year, is still a main tool in our Legacy promotion, but in 2020/21 with physical contact reduced there was less opportunity to give this out, so we worked hard to improve our online Legacy content and promotion.

## **Grants, Trusts and Major Donors**

We had reduced our unrestricted budget for 2020/21 by £25,000 compared to the previous year, as we knew that two long-standing trusts would no longer be funding us. However, income was stronger than expected and at £73,254 was actually £28,254 above target. The main reason for this was due to the extra emergency Covid-19 funding that became available in the early part of the financial year. We were also able to gain support from a Trust that had not previously supported and they donated two £10k donations during the year. Unrestricted income remains harder to achieve, with most Trusts and Foundations preferring restricted income projects and our ongoing strategy reflects this. In 2020/21, we continued to raise restricted income towards our building project, which was postponed due to the Covid-19 crisis, but is re-starting in summer 2021. With this, we had great success, with notable donations of £250,000 and £52,000 amongst other smaller donations. We await the outcome of further applications towards the Capital Appeal in 2021/22 including a large grant of £200,000.

In 2020/21 we continued with the Major Donor Strategy, introduced the previous year, further building and developing relationships with our existing and new potential Major Donors. Unrestricted Major Donor income for the year totalled £202,130, which was £122,130 above budget. In the early months of the pandemic, the Major Donor income held up strongly, with a sense of urgency in the donations. We were able to communicate directly and personally with our donors and encourage extra donations towards our work. In December, a long-standing supporter who wished to meet contacted us. She and her family had supported the Hospice for many years; she was now ill and wanted to give a substantial donation to the Hospice before she died. She gave an amazing donation of £100,000. As the year continued, overall we remained unable to meet donors face-to-face, or hold the events we had planned such as Patrons' lunches. We aim to rearrange such events in early 2022 and will be holding hard-hat tours of the building project in spring 2022, with a view to gaining funding towards the final stages of the project.

## **Financial review**

The financial year end position results in a net surplus of £3,892,617 (2019/20 deficit £219,414). Financial activities include £9,928,815 of income (2019/20 £7,085,574), and £7,094,890 of expenditure (2019/20 £6,997,528) before recognising a gain on investment assets £1,058,692 (2019/20 loss £307,260).

The Trustee Board recognise that the Hospice should run the services that maximise the ability to care for as many people as possible, whilst also being aware that the financial stability of the organisation is a priority. The last year, where the world has and continues to deal with the Covid pandemic, has also presented additional financial challenge. The grants made available to the hospice significantly offset the reduction in income from retail and events.

The Hospice reviews expenditure monthly and ensures there is accountability by measuring success against agreed KPI targets.

The charity's Trustee Board recognised the need to evolve to meet the changes and the needs of our patients. The scope of the extension and refurbishment of the Hospice, finalised in this last financial year, was drawn up after a detailed review process of future patient needs.

The IM&T environment provided a very efficient and valuable platform for the more recent response to the COVID-19 pandemic. Working to a new managed service provider we also upgraded our IT Network and infrastructure, invested in additional IT equipment including improved remote and mobile working which has all been supported with tailored IT training.

## **Income**

### **Income from Clinical Commissioning Group (CCG)**

CCG Grant income in 2020/21 £1,294,877 (2019/20 £1,332,283). During 2020/21 the CCG gave the Hospice COVID-19 funding £875,373.

### **Voluntary Income (including Legacies)**

During 2020/21, income from Voluntary Income totalled £5,682,359 (2019/20 £3,645,255), which included Hospice UK Grant Funding £1,636,834.

Hospice UK Funding - The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

Legacies left to the hospice in 2020/21 were £962,435 (2019/20 £840,034).

### **Trading Company Willen Hospice Ventures Ltd**

Willen Hospice Ventures Ltd, the subsidiary company, continues to experience challenges with income associated with retail sales, events / fundraising and lottery, income generated from activity is detailed below. Funds generated by the trading company were gift aided to the Charity and formed part of the overall income to the Hospice.

The retail portfolio is made up of 10 shops and 1 warehouse. During the year £191,835 government grants were receivable under the Retail, Hospitality and Leisure Grant Fund to support the business costs of the charity shops during the COVID-19 pandemic.

Donated Goods income from Willen Hospice shops fell significantly following the mandatory closure due to the pandemic £650,678 (2019/20 £1,342,767).

Income from Events and Fundraising was badly effected with many events cancelled or postponed to 2021-22 due to COVID-19 £610,659 (2019/20 £826,929).

Income from Lottery has also fallen due to loss of lottery income generated from shops and a higher than normal cessation in lottery memberships £466,232 (2019/20 £509,026).

### **Investment Income**

Investment income decreased in 2020/21 to £225,649 (2019/20 £246,018).

#### **Investment policy and objectives**

The objectives of the investment policy are:

- i. To create sufficient income and capital growth to enable the charity to continue to operate during periods of diminished returns from inter alia, donations and legacies.
- ii. To maintain and if possible enhance the value of the Invested funds while they are retained, giving due and proper consideration to future needs.
- iii. Both capital and income may be used at any time for the furtherance of the Charity's aims and therefore the portfolio should be managed on a total return basis.



The Charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims. Investment should not be made directly in companies where more than 20% of group turnover arises from: Tobacco, Gambling, Prostitution, and Pornography.

The Trustees reserve the right to exclude companies that carry out activities contrary to the Charity's aims, or from holding particular investments which damage the Charity's reputation.

#### **Direct Costs of Patient Care**

Direct costs of patient care totalled £4,556,979 (2019/20 £4,106,393). Increase costs largely due to costs of Clinical Agency staff required to cover Hospice own staff who were ill or isolating.

#### **Indirect Patient Care**

Indirect patient care costs have increased £512,433 (2019/20 £348,213, 2018/19 £451,910). The increase costs in year was as a result of securing addition premises to facilitate safe working practices in light of COVID-19 restrictions.

Efficiency and the application of charitable funds is always considered to ensure value for money.

#### **Total Funds**

At the year end, the total funds of the charity stood at £14,863,894 (2019/20 £10,971,277) including restricted funds which totalled £650,596 (2019/20 £47,036). The assets representing each of these funds are analysed in Note 19 to the financial statements.

## **Risks and uncertainties and Sustainability**

#### **Risk management**

The Risk Register is a tool which enables the Hospice to understand its comprehensive risk profile, centralising major risk to which the Hospice is potentially exposed. The Register is reviewed and updated at each Sub-Committee and reviewed in full at the Council of Management every quarter.

The Charity's Trustees have given consideration to the major risks to which the Charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. Major risks are those that have a major impact and a probable or highly probable likelihood of occurring. If they occurred, they would have a major impact on some or all of the following areas:

- Governance;
- Operations;
- Finances;
- Environmental or external factors such as public opinion or relationship with funders; and
- A charity's compliance with law or regulation.

The senior management team have worked hard through our crisis management and recovery teams to ensure a consistent level of support to the organisation during this very difficult year. The business continuity plan has supported this process and we are grateful to the Integrated Care System, Milton Keynes Council and the Government for financial support.

Retail shop closures have impacted our income as did the cancellation of mass participation events.

We have invested in legacy income to support grown in partners and in corporate engagement income and Gifts in Kind. We are exploring the development of integrated systems to support more streamlined donor journeys and have plans to further develop our retail footprint.

These measures, alongside a review of process and efficiency we believe will mitigate some of the broader economic concerns and support sustainability.

### Reserves policy

This policy is written in line with the Charity Commissioners' guidance "Charity Reserves: Building Resilience" published on 29th January 2016.

An essential part of the financial planning process of the Hospice is a robust policy on the level of reserves. The Trustees have reviewed the reliability of future income streams, the commitment to future expenditure and the risks faced as a charity. The charity needs reserves for the following reasons:

- To ensure that working capital is appropriately funded
- To fund shortfalls in income
- To fund unexpected expenditure, for example, unexpected building maintenance costs and to provide a degree of flexibility for innovation; and
- To allow time to cover expenditure in the event of a significant change in circumstances, for example COVID-19.

The level of reserves to be maintained as required is therefore as follows:

- **Minimum** - the minimum level of reserves is set at a level equivalent to 9 months operational / running costs. Where reserves fall below this level the Council of Management would be required to consider and agree appropriate actions to address the position. If the reserves fall below an amount equivalent to 6 months, the Council of Management should reaffirm the viability of the Hospice and make such arrangements to protect the Hospice and its services.
- **Maximum** - the maximum level of reserves is set at a level equivalent to 18 months operational / running costs. Where this level is exceeded, it is the responsibility of the Council of Management to consider enhancing existing services provided or upgrade facilities utilising these funds.

This policy will continue to be reviewed on an annual basis and presented to the Council of Management for their endorsement.

As at 31 March 2021:

	£
Designated reserves	5,784,320
Unrestricted general reserves	7,196,482
	-----
Total free reserves	12,980,802
Less fixed asset designated reserves:	
Property	(1,863,079)
Hospice development	(3,378,232)
Other fixed assets	(444,009)
	-----
	7,295,482

The designated funds set up by the Trustees are detailed in note 21.

## **Sustainability**

We aim to become a more environmentally sustainable organisation, ensuring our buildings are future-proofed and we will continue to develop or use of technology to support more remote working and reduce travelling and improve parking at our sites.

We will continue to focus on cost improvement, collaboration and efficiency to streamline working practices and maximise spending on patient care.

## **Plans for future periods**

### **2021-23 Proposed Developments and Revised Offer**

#### **IPU**

Our review of skills mix and structure will continue into the coming year with new roles coming on stream to better support the increased levels of patient activity. Developmental and rotational roles are planned so that we can ensure flexibility. Plans for increasing nurse led services will be a feature of our work for the next two years.

#### **Willen@Home**

Increases in referrals and activity will mean we will need to review skills mix and look at further Clinical Nurse Specialist interventions and developmental roles. We will work with partner organisations to explore the opportunity for rotational posts.

#### **Lymphoedema**

Face to face interventions are coming back on stream and the team are enhancing their support offering as well as their direct clinical provisions.

#### **Therapeutic & Wellbeing**

The revised structure is being implemented and the functional leads are providing governance and professional leadership to each area of provision. We will be seeking to recruit a lead to provide coordination across the service.

#### **Quality, Governance and Performance**

- Implement and review "I want great care"
- Implement a new module for complaints on Vantage
- Implement and embed new architecture around policies and procedures
- Recruit a data analyst to support the generation of intelligent data and performance measures
- Support the clinical team to deliver revised skills mix and ways of working

#### **Practice Development**

- Implement a new learning management system plan and programme of education to support the Bedford Luton Milton Keynes End Of Life Care strategy.
- Support the partnership between ourselves, the University of Buckingham and the Society of the Sacred Mission.
- Collaborate with McIntyre to develop an End of Life course which incorporates service users and staff can embrace and plan efficiently for End of Life
- Review new way to deliver and achieve mandatory training throughout the organisation
- Continue to build on partnership working with educational institutions involved in health care.
- Embrace and develop education using technology to reach a wider audience

## **Income Generation**

Revising the community and events portfolio and reviewing Return On Investment is a priority. Creating opportunities for challenged and third party activity will be a clear focus to drive income.

Moving forward into 2021/22, we are increasing our regular donors through door-to-door canvassing as well as cross selling our donation methods to those who wish to support Willen Hospice further. The appetite from Milton Keynes and surrounding areas to keep Willen thriving seems to continue to be strong.

## **Commercial**

We will continue to grow our retail footprint and differentiate our offering at each site. We will have a major push on retail Gift Aid and work hand in glove with the corporate teams to increase the volume and quality of donations to drive income and profit.

Lottery remains a focus to drive income and increase sales.

## **Development**

Enhancing the donor journey and integrating databases remains a priority.

We are investing in legacy and major donor income to ameliorate losses in Community and Events.

The capital appeal will be a key priority as the build programme progresses with opportunities to engage a range of key supporters.

## **Structure, governance and management**

### **Governing document**

Willen Hospice is a company limited by guarantee governed by its Memorandum and Articles of Association dated 31 October 1975. It is registered as a charity with the Charity Commission of England and Wales.

### **Appointment of Trustees (as set out in the Willen Hospice Trustee handbook)**

Most people have some skills, knowledge or experience that they can bring to a charity. Trustees should have a strong personal commitment to the charity's aims and objectives. It is also essential that there are no legal or other barriers to a trustee's appointment.

To optimise our effectiveness we aim to recruit a diverse board with a broad range of skills, knowledge and experience. When preparing to recruit new Trustees we seek to increase or at least maintain the diversity of our Trustee board, whilst ensuring we have the correct skillset for continuity.

As well as achieving a balance in skills and experience we also aim to achieve greater diversity by reaching out into communities that are not presently represented. This allows us to reach out to more people than can be reached by word of mouth and communities less available to us.

Responsibility for the recruitment of new Trustees rests firmly with the existing Trustees. They must oversee the management of an open and efficient process and always act in the best interests of the Charity. Before appointing a new Trustee, the Trustee board must make sure that the appointment meets the requirements of the charity's governing document and the law.

Before appointing a Trustee, the Trustee board should obtain a declaration from the prospective Trustee that they are not disqualified. It should also consult official registers of disqualified persons.

#### **Trustee induction and training**

New Trustees undergo an orientation day to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity. During the induction day they meet key employees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

#### **Organisation**

The board of Trustees, which can have up to 15 members, administers the Charity. The board normally meets quarterly and there are sub-committees covering Clinical Governance who meet quarterly, General Purpose & Finance, who meet monthly, Business Development Committee, Risk Management/Health & Safety Committee, HR Committee and Property Committee who all meet bi-monthly.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and service delivery.

#### **Related parties and co-operation with other organisations**

None of our Trustees receive remuneration or other benefits from their work with the Charity. Any connection between a Trustee or senior manager of the Charity with a contractor or supplier of professional services must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

#### **Pay policy for senior staff**

The Directors consider that the board of Directors, who are the Charities' Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Directors give their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in note 7 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with Hospice pay policy, which is benchmarked against pay levels in other hospices, the voluntary sector and related employers.

## Reference and administrative details

Charity number: 270194  
Company number: 1231909  
Registered Office: Willen Hospice Milton Road Milton Keynes MK15 9AB

### Our advisers

Auditor: Mercer & Hole Milton Keynes  
Bankers: Barclays, NatWest, Metro Bank, Handelsbanken  
Solicitors: Geoffrey Leaver Milton Keynes

### Directors and Trustees

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end unless stated were as follows:

#### Key management personnel: Trustees and Directors of Willen Hospice:

Chairman: P Davis

Directors: I Philpott  
M Stevenson  
R Gilbert  
G Ball (Resigned December 2020)  
C Dunn  
M Rogers  
S Carbert (Treasurer)  
J Wood  
C White-Robinson  
D Patel  
A Coombes  
M Esam

#### Key management personnel: Senior managers of Willen Hospice:

Chief Executive Officer:	P Wilkinson
Director of Clinical Services:	P McNamara
Director of Finance and Resources:	J Cooper
Director of People Services:	C Reeve

### Trustees' responsibilities in relation to the financial statements

The Charity Trustees (who are also the Directors of Willen Hospice for the purposes of company law) are responsible for preparing a Trustees' annual report (including the Strategic Report) and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

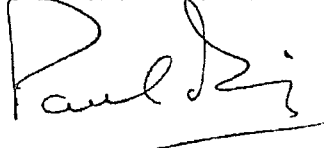
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement for disclosure to our auditor

In so far as the Trustees are aware:

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

By order of the Board of Trustees



P Davis  
**Chairman**

Date 28 October 2021

## **Report of the Independent Auditor to the members of Willen Hospice**

### **Opinion**

We have audited the financial statements of Willen Hospice (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise of the Consolidated statement of financial activities, the Comparative consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated 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 applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



## Other information

The other information comprises the information included in the trustees annual report , other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Chairman's annual report and the Report of the Trustees which includes the Strategic Report and the Report of the Directors prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chairman's annual report and Report of the Trustees has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairman's annual report or the Report of the Trustees which includes the Strategic Report and the Report of the Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 21, the Trustees (who are also the Directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

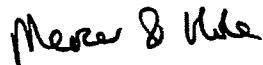
- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

### Use of the audit report

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



Steve Robinson (Senior Statutory Auditor)

for and on behalf of **Mercer & Hole**

Chartered Accountants and Statutory Auditor

420 Silbury Boulevard, Milton Keynes, MK9 2AF

Date: 3 November 2021

## Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income</b>					
Donations and voluntary income					
Voluntary income	1	3,118,933	926,592	4,045,525	3,645,255
Grant funding	1	-	1,636,834	1,636,834	-
Income from generated funds					
Income from Clinical Commissioning Group		1,294,877	-	1,294,877	1,332,283
Activities for raising funds	2	1,156,552	-	1,156,552	1,516,231
Investment income	3	225,649	-	225,649	246,018
Other income	4	1,569,378	-	1,569,378	345,787
<b>Total income</b>		<b>7,365,389</b>	<b>2,563,426</b>	<b>9,928,815</b>	<b>7,085,574</b>
<b>Expenditure</b>					
Cost of raising funds	7	(2,223,916)	-	(2,223,916)	(2,345,901)
Charitable activities	7	(3,109,546)	(1,959,866)	(5,069,412)	(4,454,606)
Impairment of investments	13	198,438	-	198,438	(197,021)
<b>Total expenditure</b>		<b>(5,135,024)</b>	<b>(1,959,866)</b>	<b>(7,094,890)</b>	<b>(6,997,528)</b>
Gain / (Loss) on investment assets	13	1,058,692	-	1,058,692	(307,260)
<b>Net income / (expenditure)</b>		<b>3,289,057</b>	<b>603,560</b>	<b>3,892,617</b>	<b>(219,214)</b>
Transfers		-	-	-	-
<b>Net movements in funds</b>		<b>3,289,057</b>	<b>603,560</b>	<b>3,892,617</b>	<b>(219,214)</b>
Fund balances brought forward at					
1 April 2020		10,924,241	47,036	10,971,277	11,190,491
<b>Fund balances carried forward at 31 March 2021</b>	20/22	<b>14,213,298</b>	<b>650,596</b>	<b>14,863,894</b>	<b>10,971,277</b>

The parent charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The financial activities above include £8,450,183 (2020: £5,116,577) of income, £5,531,874 (2020: £5,241,788) of expenditure and £1,058,692 (2020: loss of £307,260) realised gains/(losses) on investments assets relating to the parent charity as an individual entity.

All activities of the charity are considered to be continuing.

The accompanying accounting policies and notes form an integral part of these financial statements.

## Comparative Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
<b>Income</b>			
Donations and voluntary income			
Voluntary income	3,603,572	41,683	3,645,255
Income from generated funds			
Income from Clinical Commissioning Group	1,332,283	-	1,332,283
Activities for raising funds	1,516,231	-	1,516,231
Investment income	246,018	-	246,018
Other income	345,787	-	345,787
<b>Total income</b>	<b>7,043,891</b>	<b>41,683</b>	<b>7,085,574</b>
<b>Expenditure</b>			
Cost of raising funds	(2,345,901)	-	(2,345,901)
Charitable activities	(4,404,296)	(50,310)	(4,454,606)
Impairment of investment	(197,021)	-	(197,021)
<b>Total expenditure</b>	<b>(6,947,218)</b>	<b>(50,310)</b>	<b>(6,997,528)</b>
(Loss) / Gain on investment assets	(307,260)	-	(307,260)
<b>Net income / (expenditure)</b>	<b>(210,587)</b>	<b>(8,627)</b>	<b>(219,214)</b>
Transfers	-	-	-
<b>Net movements in funds</b>	<b>(210,587)</b>	<b>(8,627)</b>	<b>(219,214)</b>
Fund balances brought forward at 1 April			
2019	11,134,828	55,663	11,190,491
<b>Fund balances carried forward at 31 March 2020</b>	<b>10,924,241</b>	<b>47,036</b>	<b>10,971,277</b>

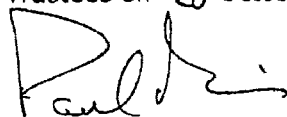
The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated Balance Sheet

Company number 1231909

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Intangible assets	11		32,687		21,788
Tangible assets	12		2,583,414		2,505,917
Investments	13		<u>8,190,880</u>		<u>6,793,714</u>
			10,806,981		9,321,419
<b>Current assets</b>					
Stocks	14	35,531		57,613	
Debtors	15	2,013,665		1,159,016	
Cash and cash equivalents	16	<u>2,574,684</u>		<u>938,621</u>	
		4,623,880		2,155,250	
<b>Creditors: amounts falling due within one year</b>	17	<u>(566,967)</u>		<u>(505,392)</u>	
<b>Net current assets</b>			4,056,913		1,649,858
<b>Net assets</b>			<u>14,863,894</u>		<u>10,971,277</u>
<b>Income Funds</b>					
Restricted funds	20		650,596		47,036
Unrestricted funds					
Designated funds	21		5,784,320		6,223,615
Other charitable funds	22		7,196,482		4,526,822
Revaluation reserve	22		<u>1,232,496</u>		<u>173,804</u>
<b>Total funds</b>			<u>14,863,894</u>		<u>10,971,277</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 28 October 2021



P Davis  
Chairman

The accompanying accounting policies and notes form an integral part of these financial statements.

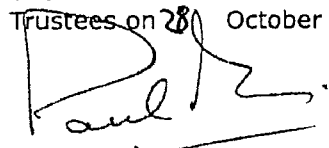
Willen Hospice  
Financial statements for the year ended 31 March 2021

## Charity Balance Sheet

Company number 1231909

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Intangible assets	11		32,687		21,788
Tangible assets	12		2,583,414		2,505,917
Investment in subsidiary undertaking	13		2		2
Investments	13		<u>8,190,880</u>		<u>6,793,714</u>
			10,806,983		9,321,421
<b>Current assets</b>					
Debtors	15	2,368,260		1,066,248	
Cash and cash equivalents	16	<u>1,854,049</u>		<u>648,910</u>	
		4,222,309		1,715,158	
<b>Creditors: amounts falling due within one year</b>	17	<u>(311,584)</u>		<u>(295,871)</u>	
<b>Net current assets</b>			3,910,725		1,419,287
<b>Net assets</b>			<u>14,717,708</u>		<u>10,740,708</u>
<b>Income Funds</b>					
Restricted funds	20		650,596		47,036
Unrestricted funds:					
Designated funds	21		5,784,320		6,223,615
Other charitable funds	22		7,050,296		4,296,253
Revaluation reserve	22		<u>1,232,496</u>		<u>173,804</u>
<b>Total funds</b>			<u>14,717,708</u>		<u>10,740,708</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 28 October 2021



P Davis  
Chairman

The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated Statement of Cash Flows at 31 March 2021

		2021	2021	2020	2020
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Net income / (expenditure)		3,892,617		(219,214)	
Adjustments for:					
Investment income		(225,649)		(246,018)	
Amortisation	11	7,792		6,467	
Depreciation	12	189,740		140,962	
(Increase)/decrease in stocks	14	22,082		(2,718)	
(Increase)/decrease in trade and other receivables	15	(854,649)		(463,371)	
(Decrease)/increase in trade and other payables	17	61,575		(29,482)	
Movement on pension scheme	17	-		(386,064)	
Revaluation of investments	13	(1,059,667)		307,260	
Impairment of investments	13	(198,438)		197,021	
<b>Cash flows generated from operating activities</b>			<b>1,835,403</b>		<b>(695,157)</b>
Purchase of property plant and equipment	12	(267,237)		(326,313)	
Purchase of intangible fixed assets	11	(18,691)		(20,669)	
Purchase of investments	13	(145,147)		(943,461)	
Proceeds from sale of investments	13	6,086		201,705	
Investment income		225,649		246,018	
<b>Cash flows generated from investing activities</b>			<b>(199,340)</b>		<b>(842,720)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>			<b>1,636,063</b>		<b>(1,537,877)</b>
Cash and cash equivalents at 1 April			<b>938,621</b>		<b>2,476,498</b>
Cash and cash equivalents at 31 March	16		<b><u>2,574,684</u></b>		<b><u>938,621</u></b>

The accompanying accounting policies and notes form an integral part of these financial statements.



## Principal accounting policies

### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as issued in October 2019 - (Charities SORP (FRS 102) and the Companies Act 2006.

Willen Hospice 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 note(s).

The accounts are prepared in Sterling GBP, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

### Basis of consolidation

The group financial statements consolidate those of the Charity and its subsidiary undertaking (see note 4) drawn up to 31 March 2021. The results of the Charity's non-charitable trading subsidiary have been incorporated on a line by line basis. Surpluses or deficits on intra group transactions are eliminated in full.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

The principal accounting policies of the Charity are set out below.

### Going concern

Since March 2020, COVID-19 has been dominating the world social and economic climate. At this point in time it is not possible to fully consider the impacts arising from COVID-19, however the trustees have considered the possible risks and have put in place measures to maintain income during the period of uncertainty through targeted funds and maintaining contact with existing supporters. Furthermore, constraints have been placed upon general expenditure and the trustees have taken advantage of the government's job retention financial support package. Management has produced forecasts that have been sensitised to reflect plausible downside scenarios as a result of the COVID-19 pandemic and its impact on the charity, which have been reviewed by the Board. These demonstrate that the Charity has sufficient cash reserves to enable the Charity to meet its obligations as they fall due for a period of at least 12 months from the date of signing these financial statements.

As such, the Board are satisfied that the Charity had adequate resources to continue to operate for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing these financial accounts.

## Principal accounting policies (continued)

### Income

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Gifts-in-kind are accounted for at the Trustees' estimate of value to the charity or sale value as follows:

- assets received for distribution by the Charity are recognised only when distributed;
- assets received for resale are recognised only when sold;
- gifts of fixed assets for Charity use or funds for acquiring fixed assets for charity use are accounted for (as restricted funds) immediately on receipt; and
- Intangible income is valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure.

Voluntary help is not included as income.

Statutory funding is included within income on an accruals basis.

Government grants are recognised upon entitlement.

Donations under Gift Aid, together with the associated income tax recoveries, are credited as income when donations are receivable.

### Legacies

Legacies to which the Charity is entitled are included in the statement of financial activities when receipt is probable, and the amount can be reliably measured.

### Investment income

Investment income comprises dividends declared during the accounting period. Income from quoted investments is recognised when receivable.

### Expenditure

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the Charity's objectives (direct charitable);
- expenditure incurred directly in the effort to raise voluntary contributions (fund raising and publicity); and
- expenditure incurred in the governance of the Charity.

All expenditure has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Costs classified as governance relate to the general running of the charity and include the operations of the Trustees and addressing constitutional, audit, and other statutory matters.

## Principal accounting policies (continued)

### Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for these purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the Charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

### Intangible assets

Intangible assets consist of IT software.

Intangible assets are amortised over a period of between 3-5 years.

### Tangible fixed assets

Tangible fixed assets costing more than £1,000 are stated at cost or valuation, net of any provision.

Depreciation is calculated to write down the cost of all tangible fixed assets held for charity use other than freehold land by equal annual instalments over their expected useful lives.

The periods generally applicable are:

Freehold property	-	10 - 50 years
Equipment	-	3 - 10 years
Fundraising assets	-	3 - 10 years
IT hardware	-	3 - 10 years
Motor vehicles	-	3 - 5 years
Leasehold improvements	-	2 years (length of the lease)

### Investments

Assets held for investment purposes are included at market value at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

### Stocks

Stocks are stated at the lower of cost and net realisable value.

### Debtors

Short term debtors are measured at transaction price, less any impairment.

### Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### Creditors

Short term creditors are measured at the transaction price.

## **Principal accounting policies (continued)**

### **Financial instruments**

Financial assets and liabilities are recognised on the Balance Sheet when the Charity has become a party to the contractual provisions of the instrument.

### **Leased assets**

Payments made under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

### **Defined contribution schemes**

The pension costs charged against results in the year represent the amount of the contributions payable in respect of the accounting period.

### **Accounting estimates and judgements**

In applying the accounting policies, the Trustees have made critical accounting judgements, estimates and assumptions about the carrying amount of the assets and liabilities. These estimates and assumptions are based on historical experience and are reviewed on a continual basis. The critical accounting judgements, estimates, and assumptions that have a material effect on the amounts recognised in the financial statements for both the current and next financial years are discussed below.

### **Judgements**

Impairment testing is carried out for all tangible assets and investments at the yearend date where there is an indication that impairment exists. For the purposes of impairment testing, the carrying amounts of the tangible assets are reviewed and an impairment loss is recognised where the carrying amounts exceed the assets recoverable amount.

Legacies are recognised when the criteria of entitlement, probability and certainty of amount can be met.

All debtors are reviewed to determine if a bad debt provision is required for each balance.

### **Estimates**

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in the Statement of Financial Activities.

Gifts in kind are included in the financial statements at their market value at the time of their distribution.

## Notes to the financial statements (continued)

### 1 Donations and voluntary income

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Donations (including gift aid)	1,186,162	926,592	2,112,754	1,122,028
Gifts in kind	47,447	-	47,447	31,768
Legacies	962,435	-	962,435	840,034
Memorials	244,692	-	244,692	258,658
Donated goods	650,678	-	650,678	1,342,767
Friends of Willen	-	-	-	50,000
Christmas Appeal	27,519	-	27,519	-
Grant funding	-	1,636,834	1,636,834	-
	<u>3,118,933</u>	<u>2,563,426</u>	<u>5,682,359</u>	<u>3,645,255</u>

### 2 Activities for raising funds

	2021 £	2020 £
<b>Unrestricted funds</b>		
Lottery income	466,231	509,026
Events and promotions income	610,659	826,929
Income from Willen Hospice Ventures shops	<u>79,662</u>	<u>399,644</u>
	<u>1,156,552</u>	<u>1,735,599</u>

### 3 Investment income

	2021 £	2020 £
<b>Unrestricted funds</b>		
Listed investments	224,981	242,379
Bank deposits	<u>668</u>	<u>3,639</u>
	<u>225,649</u>	<u>246,018</u>

## Notes to the financial statements (continued)

### 4 Other operating income

	2021 £	2020 £
<b>Unrestricted funds</b>		
Education	35,799	72,829
Catering	16,442	30,277
Job Retention Scheme	229,326	5,490
CCG COVID-19 Funding	875,373	-
Business Interruption Scheme Claim	194,069	-
Retail business support grant	191,835	215,000
Other miscellaneous income	9,867	22,191
Shop Rent	16,667	-
	<u>1,569,378</u>	<u>345,787</u>

### 5 Net income from non-charitable trading activities of subsidiary

A summary of the results of the trading subsidiary Willen Hospice Ventures Limited (Company number: 2479448) is set out below:

	2021 £	2020 £
Turnover	1,635,272	2,477,156
Cost of sales	<u>(169,834)</u>	<u>(332,994)</u>
Gross profit	1,465,438	2,144,162
Administrative expenses	(1,767,598)	(1,827,703)
Other operating income	<u>556,851</u>	<u>219,368</u>
Operating profit	254,691	535,827
Interest receivable and similar income	<u>184</u>	<u>325</u>
Profit for the year and total comprehensive income	<u>254,875</u>	<u>536,152</u>

The net assets and liabilities of the subsidiary were:

	2021 £	2020 £
Current assets	1,068,621	702,966
Creditors: amounts falling due within one year	(922,433)	(472,395)
Creditors: amounts falling due after one year	-	-
Total net assets	<u>146,188</u>	<u>230,571</u>
Aggregate share capital and reserves	<u>146,188</u>	<u>230,571</u>

## Notes to the financial statements (continued)

### 6 Net income / (expenditure)

The consolidated statement of financial activities excludes the impact of any voluntary help. The group is reliant on a substantial amount of voluntary help in respect of:

- i certain support services within the Hospice
- ii sorting, packing and selling in the shops operated by Willen Hospice Ventures Limited
- iii other fund-raising efforts.

### 7 Analysis of expenditure

	Direct costs	Support costs (Note below)	Total 2021	Total 2020
	£	£	£	£
<b>Cost of raising funds</b>				
Trading	1,250,957	44,739	1,295,696	1,417,100
Lottery	191,496	19,724	211,220	225,012
Events and fundraising	304,688	111,673	416,361	448,568
Voluntary fundraising costs	300,639	-	300,639	255,221
	<u>2,047,780</u>	<u>176,136</u>	<u>2,223,916</u>	<u>2,345,901</u>
<b>Charitable activities</b>				
In house	2,606,921	238,277	2,845,198	2,603,772
Willen At Home	1,035,947	84,009	1,119,956	1,032,358
Wellbeing & Therapeutic	701,178	71,055	772,233	497,342
Lymphoedema Service	200,323	30,900	231,223	224,103
Governance	12,610	88,192	100,802	97,031
	<u>4,556,979</u>	<u>512,433</u>	<u>5,069,412</u>	<u>4,454,606</u>
<b>Other expenses</b>				
Impairment of investments	-	(198,438)	(198,438)	197,021
	<u>-</u>	<u>(198,438)</u>	<u>(198,438)</u>	<u>197,021</u>
<b>Total expenditure</b>	<u><b>6,604,759</b></u>	<u><b>490,131</b></u>	<u><b>7,094,890</b></u>	<u><b>6,997,528</b></u>

**Note:**

Support costs totalling £688,569 (2020: £456,894) have been allocated across activities. These include costs associated with payroll, finance, property costs and other central services. Costs have been allocated on the basis of floor area, number of staff or time spent.

## Notes to the financial statements (continued)

### 7 Analysis of expenditure (continued)

Total expenditure includes:

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Auditor remuneration				
Audit services	12,150	10,300	-	-
Non-audit services	1,350	2,145	-	-
Amortisation	7,792	6,467	7,792	6,467
Depreciation	189,740	140,962	189,740	140,962
Other operating lease rentals	(6,728)	35,352	(6,728)	35,352

The audit fee for the Charity is borne by the subsidiary, Willen Hospice Ventures Limited.

### 8 Employees

Staff costs during the year were as follows:

	2021	2020
	£	£
Salaries and wages	4,318,025	4,017,677
Social security costs	379,961	344,378
Pension costs	391,514	351,000
	5,089,500	4,713,055
Contract staff	367,029	264,383
Health Examination fees	329	635
	5,456,858	4,978,073

The average number of employees during the year was 194 (2020: 197).



## Notes to the financial statements (continued)

### 8 Employees (continued)

The number of employees receiving the following bandings is:

	<b>2021</b>	2020
	<b>No.</b>	No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1

No trustee received any remuneration during the year and no expenses were reimbursed.

The charity paid £335 (2020: £597) for indemnity insurance on behalf of the Trustees.

Remuneration for key management personnel including employer's national insurance and employers pension totalled £251,511 (2020: £313,324) for 3 employees in the year.

Redundancy payments made in the year totalled £25,575 (2020: £13,915), which is made up of both statutory and non-statutory redundancy.

### 9 Tax on surplus

No tax arises because the group's charitable activities are exempt from tax and the profits of the activities of the trading subsidiary undertaking are remitted under Gift Aid to the Charity.

### 10 Charity results

The Charity has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements. Refer to page 26 for the charity's own income, expenditure and other gains and losses.

## Notes to the financial statements (continued)

### 11 Intangible fixed assets

#### The group and the charity

	IT software £	Total £
<b>Cost</b>		
At 1 April 2020	97,014	97,014
Additions	18,691	18,691
Disposals	-	-
<b>At 31 March 2021</b>	<b>115,705</b>	<b>115,705</b>
<b>Amortisation</b>		
At 1 April 2020	75,226	75,226
Amortisation in the year	7,792	7,792
On disposals	-	-
<b>At 31 March 2021</b>	<b>83,018</b>	<b>83,018</b>
<b>Net book amount at 31 March 2021</b>	<b>32,687</b>	<b>32,687</b>
<b>Net book amount at 31 March 2020</b>	<b>21,788</b>	<b>21,788</b>

## Notes to the financial statements (continued)

### 12 Tangible fixed assets

#### The group and the charity

	Freehold property £	Asset under course of construction £	Equipment £	Fundraising assets £
<b>Cost</b>				
At 1 April 2020	3,053,004	288,524	616,155	372,212
Additions	-	20,502	30,064	17,264
Disposals	-	-	-	(11,080)
<b>At 31 March 2021</b>	<b>3,053,004</b>	<b>309,026</b>	<b>646,219</b>	<b>378,396</b>
<b>Depreciation</b>				
At 1 April 2020	1,129,708	-	504,199	299,030
Depreciation in the year	60,223	-	21,963	18,385
Disposals	-	-	-	(11,080)
<b>At 31 March 2021</b>	<b>1,189,931</b>	<b>-</b>	<b>526,162</b>	<b>306,335</b>
<b>Net book amount at 31 March 2021</b>	<b>1,863,073</b>	<b>309,026</b>	<b>120,057</b>	<b>72,061</b>
<b>Net book amount at 31 March 2020</b>	<b>1,923,296</b>	<b>288,524</b>	<b>111,956</b>	<b>73,182</b>

## Notes to the financial statements (continued)

### 12 Tangible fixed assets (continued)

The group and the charity

	<b>IT hardware £</b>	<b>Motor vehicles £</b>	<b>Leasehold improvements £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2020	235,122	42,774	4,798	4,612,589
Additions	46,178	-	153,229	267,237
Disposals	-	-	-	(11,080)
<b>At 31 March 2021</b>	<b>281,300</b>	<b>42,774</b>	<b>158,027</b>	<b>4,868,746</b>
<b>Depreciation</b>				
At 1 April 2020	143,776	29,430	529	2,106,672
Depreciation in the year	46,182	7,060	35,927	189,740
Disposals	-	-	-	(11,080)
<b>At 31 March 2021</b>	<b>189,958</b>	<b>36,490</b>	<b>36,456</b>	<b>2,285,332</b>
<b>Net book amount at 31 March 2021</b>	<b>91,342</b>	<b>6,284</b>	<b>121,571</b>	<b>2,583,414</b>
<b>Net book amount at 31 March 2020</b>	<b>91,346</b>	<b>13,344</b>	<b>4,269</b>	<b>2,505,917</b>

## Notes to the financial statements (continued)

### 13 Fixed asset investments

#### The charity

The investment in subsidiary undertakings consists of the cost of 2 ordinary shares of £1 each, being 100% of the issued share capital of Willen Hospice Ventures Limited, a company incorporated in England and Wales, which is the trading subsidiary of the charity. Results and net assets are noted in note 5.

#### The group and the charity

	Historical cost £	Impairment £	Revaluation £	Market value £
<b>Valuation</b>				
At 1 April 2020	6,818,348	(198,438)	173,804	<b>6,793,714</b>
Purchases and additions from reinvestment	145,147	-	-	<b>145,147</b>
Disposals	(5,111)	-	(975)	<b>(6,086)</b>
(Impairment) / reversal of impairment	-	198,438	-	<b>198,438</b>
Realised Gain	-	-	-	-
Unrealised gain on revaluation	-	-	1,059,667	<b>1,059,667</b>
<b>At 31 March 2021</b>	<b>6,958,384</b>	<b>-</b>	<b>1,232,496</b>	<b>8,190,880</b>

Listed investments, all of which are UK listed investments, are stated at their mid-market value as at the balance sheet date.

There were no individual investments comprising over 5% of the value of the portfolio at the 31 March 2021.

### 14 Stocks

#### The group

	2021 £	2020 £
Goods for resale	<b>35,531</b>	<b>57,613</b>

Stock recognised in cost of sales during the year as an expense was £41,515 (2020: £95,184).

## Notes to the financial statements (continued)

### 15 Debtors

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	50,711	22,788	48,156	16,865
Other debtors	128,316	69,945	116,178	46,756
Prepayments and accrued income	1,834,638	1,066,283	1,536,876	739,753
Amounts owed by subsidiary undertaking	-	-	667,050	262,874
	<u>2,013,665</u>	<u>1,159,016</u>	<u>2,368,260</u>	<u>1,066,248</u>

### 16 Cash and cash equivalents

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Cash at bank and in hand	2,538,046	900,179	1,817,411	610,468
Cash held at investment manager	<u>36,638</u>	<u>38,442</u>	<u>36,638</u>	<u>38,442</u>
	<u>2,574,684</u>	<u>938,621</u>	<u>1,854,049</u>	<u>648,910</u>

### 17 Creditors: amounts falling due within one year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	87,321	137,196	75,096	107,570
Social security and other taxes	91,913	84,537	78,094	70,568
Pension contributions	59,542	52,243	53,654	47,088
Other creditors	1,245	6,207	1,062	6,008
Accruals and deferred income	<u>326,946</u>	<u>225,209</u>	<u>103,678</u>	<u>64,637</u>
	<u>566,967</u>	<u>505,392</u>	<u>311,584</u>	<u>295,871</u>

## Notes to the financial statements (continued)

### 18 Financial instruments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
<b>Financial assets:</b>				
Financial assets measured at fair value through profit and loss	2,574,684	938,621	1,854,049	648,910
Financial assets measured at amortised cost	1,811,040	982,602	2,249,265	1,001,364
	<u>4,385,724</u>	<u>1,921,223</u>	<u>4,103,314</u>	<u>1,650,274</u>
<b>Financial liabilities:</b>				
Financial liabilities measured at amortised cost	<u>336,994</u>	<u>106,985</u>	<u>224,418</u>	<u>100,553</u>

Financial assets measured at fair value through profit and loss comprise of cash and cash equivalents.

Financial assets measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals, amounts owed by group undertakings as applicable, and other creditors.

### 19 Analysis of net assets between funds

#### Group – current year

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Intangible fixed assets	32,687	-	32,687
Tangible fixed assets	2,583,414	-	2,583,414
Investments	8,190,880	-	8,190,880
Current assets	3,973,284	650,596	4,623,880
Current liabilities	(566,967)	-	(566,967)
	<u>14,213,298</u>	<u>650,596</u>	<u>14,863,894</u>

## Notes to the financial statements (continued)

### 19 Analysis of net assets between funds (continued)

#### Group – comparative year

	Unrestricted funds £	Restricted funds £	Total funds £
Intangible fixed assets	21,788	-	21,788
Tangible fixed assets	2,505,917	-	2,505,917
Investments	6,793,714	-	6,793,714
Current assets	2,108,214	47,036	2,155,250
Current liabilities	(505,392)	-	(505,392)
	<u>10,924,241</u>	<u>47,036</u>	<u>10,971,277</u>

### 20 Restricted funds

#### The group and the charity – current year

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Education	3,287	-	(1,005)	-	2,282
Clinical equipment	5,364	13,566	(12,166)	-	6,764
Willen at Home	-	33,043	(32,786)	-	257
Capital Appeal	7,790	302,055	-	-	309,845
Wellbeing and Therapeutic	3,382	66,160	(46,324)	-	23,218
Miscellaneous	27,213	47,565	(45,189)	-	29,588
CCG COVID-19 Funding	-	286,988	(8,347)	-	278,641
Hospice UK Funding	-	1,636,834	(1,636,834)	-	-
Cancer Care in the Community	-	140,841	(140,841)	-	-
Bereavement Project	-	36,375	-	-	-
<b>Total</b>	<b>47,036</b>	<b>2,563,427</b>	<b>(1,959,867)</b>	<b>-</b>	<b>650,596</b>

The **Education fund** is to be used for clinical training.

The **Clinical equipment fund** is to be used to replace items of clinical equipment.

The **Willen at Home fund** was monies given to provide IT equipment and training for the Willen at Home team.



## Notes to the financial statements (continued)

### 20 Restricted funds (continued)

The **Capital Appeal fund** is made up of specific donations given to support the Hospice building project.

The **Wellbeing and Therapeutic fund** is made up of funds given to fund specific costs in the Wellbeing and Therapeutic team, such as staff costs for specific posts, travel costs and for maintenance of the Wellbeing Centre bus.

The **Miscellaneous fund** is made up of specific donations given to departments for use by those departments only.

**CCG COVID-19 Funding** covers the cost of clinical posts, education and PPE.

**Hospice UK Funding** - The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

**Cancer Care in the Community funding** - newly launched and commissioned service for cancer patients in Milton Keynes. Services include Spirituality, Counselling and Psychology, Social Care, Therapies and Living Well programme

**Bereavement Project funding** - Milton Keynes Council commissioned a Care Home Family Bereavement Service due to the COVID-19 pandemic and associated impact on families of care home residents.

The group and the charity – comparative year

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Education	4,327	-	(1,040)	-	3,287
Clinical equipment	12,674	-	(7,310)	-	5,364
Willen at Home	-	9,250	(9,250)	-	-
Capital Appeal	-	7,790	-	-	7,790
Wellbeing and Therapeutic	-	16,700	(13,318)	-	3,382
Miscellaneous	38,662	7,943	(19,392)	-	27,213
<b>Total</b>	<b>55,663</b>	<b>41,683</b>	<b>(50,310)</b>	<b>-</b>	<b>47,036</b>

## Notes to the financial statements (continued)

### 21 Designated funds

The group and the charity – current year

	At 1 April 2020 £	Expenditure £	Transfers (see below) £	At 31 March 2021 £
Property	1,982,975	(60,223)	(59,673)	1,863,079
Hospice development	3,788,061	(20,502)	(389,328)	3,378,232
Other fixed assets	261,779	(137,309)	319,539	444,009
The Well	83,000	(83,000)	-	-
Retail outlet refurbishment	18,000	(7,040)	(5,960)	5,000
IT replacement	59,000	(59,000)	25,000	25,000
Clinical equipment	-	-	36,000	36,000
Planned preventative maintenance	30,800	-	2,200	33,000
<b>Total</b>	<b>6,223,615</b>	<b>(367,073)</b>	<b>(72,222)</b>	<b>5,784,320</b>

The **Property fund** represents the net book value amount of the freehold properties held.

The **Hospice development fund** represents recent legacy income which will allow the Hospice to invest in long-awaited improvement needed to meet the evolving requirements of modern palliative care in Milton Keynes and the surrounding areas.

It is hoped that £0.5m will be received from grants to support this.

The **Other fixed assets fund** represents the net book value of other fixed assets and intangible assets held.

The **Well fund** represents the funds required to carry out the refurbishment works required to turn the new leasehold premises into workspace for various departments.

The **IT replacement fund** represents the funds required to set up a framework for utilising technology and data to improve outcomes for our patients, increase the flexibility and immediacy of service provision, grow our income, and increase efficiency in our infrastructure and processing.

The remaining funds were provided for the purpose of establishing or maintaining Hospice services and retail outlets.

Transfers were made to and from unrestricted funds as required (see note 21).

## Notes to the financial statements (continued)

### 21 Designated funds (continued)

The group and the charity – comparative year

	At 1 April 2019 £	Expenditure £	Transfers (see below) £	At 31 March 2020 £
Property	1,986,220	(62,921)	59,676	1,982,975
Hospice development	4,000,000	(211,939)	-	3,788,061
Other fixed assets	265,347	(84,653)	81,085	261,779
The Well	-	-	83,000	83,000
Retail outlet refurbishment	28,000	(6,777)	(3,223)	18,000
IT replacement	142,314	(124,091)	40,777	59,000
Clinical equipment	17,941	(3,300)	(14,641)	-
Planned preventative maintenance	47,799	-	(16,999)	30,800
<b>Total</b>	<b>6,487,621</b>	<b>(493,681)</b>	<b>229,675</b>	<b>6,223,615</b>

### 22 Unrestricted funds

Group – current year

	Designated funds (see note 21) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2020	6,223,615	4,526,822	173,804	10,924,241
Income	-	7,365,389	-	7,365,389
Expenditure	(367,073)	(4,767,951)	-	(5,135,024)
Gain / (loss) on revaluation	-	-	1,058,692	1,058,692
Transfers (see note 13 & 21)	(72,222)	72,222	-	-
<b>At 31 March 2021</b>	<b>5,784,320</b>	<b>7,196,482</b>	<b>1,232,496</b>	<b>14,213,298</b>

Note 5 provides detailed analysis of the income and expenditure of the subsidiary, Willen Hospice Ventures Limited.

## Notes to the financial statements (continued)

### 22 Unrestricted funds (continued)

#### Group – comparative year

	Designated funds (see note 21) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2019	6,487,621	4,127,368	519,839	11,134,828
Income	-	7,043,891	-	7,043,891
Expenditure	(493,681)	(6,453,537)	-	(6,947,218)
Gain / (loss) on revaluation	-	-	(307,260)	(307,260)
Transfers (see note 13 & 21)	229,675	(190,900)	(38,775)	-
<b>At 31 March 2020</b>	<b>6,223,615</b>	<b>4,526,822</b>	<b>173,804</b>	<b>10,924,241</b>

#### Charity - current year

	Designated funds (see note 21) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2020	6,223,615	4,296,253	173,804	10,693,672
Income	-	5,886,757	-	5,886,757
Expenditure	(367,073)	(3,204,936)	-	(3,572,009)
Gain / (loss) on revaluation	-	-	1,058,692	1,058,692
Transfers (see note 13 & 21)	(72,222)	72,222	-	-
<b>At 31 March 2021</b>	<b>5,784,320</b>	<b>7,050,296</b>	<b>1,232,496</b>	<b>14,067,112</b>

#### Charity - comparative year

	Designated funds (see note 21) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2019	6,487,621	4,110,056	519,839	11,117,516
Income	-	5,289,894	-	5,289,894
Expenditure	(493,681)	(4,912,797)	-	(5,406,478)
Gain / (loss) on revaluation	-	-	(307,260)	(307,260)
Transfers (see note 13 & 21)	229,675	(190,900)	(38,775)	-
<b>At 31 March 2020</b>	<b>6,223,615</b>	<b>4,296,253</b>	<b>173,804</b>	<b>10,693,672</b>

## Notes to the financial statements (continued)

### 23 Pensions

#### **NHS Pension Scheme**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

#### **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

#### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

## Notes to the financial statements (continued)

### 23 Pensions (continued)

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

#### **The People's Pension**

Appointed to act as pension's providers for Auto Enrolment requirements. The Hospice and Willen Hospice Ventures staging date for auto enrolment deductions was April 2015.

The People's Pension is a multi-employer workplace pension scheme (also known as a master trust) founded and administered by B&CE. It was launched in 2011 as a product specifically tailored to deal with pension's auto-enrolment. The Scheme is run by an independent trustee, which has a legal duty to act in the best interest of the members.

The Scheme is a defined benefit Scheme. The scheme is not designed to be run in a way that would enable individual organisations to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the individual organisations of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM (HM Treasury Financial Reporting Manual) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years".

## Notes to the financial statements (continued)

### 24 Financial commitments

#### The group and charity

The following operating lease commitments are due within one year. The contracts to which these amounts relate expire as follows:

	2021 Land and buildings £	2020 Land and buildings £	2021 Other £	2020 Other £
In one year or less	350,004	246,993	26,196	47,536
Between two and five years	517,435	605,130	10,657	9,884
Over five years	<u>151,250</u>	<u>79,479</u>	<u>-</u>	<u>-</u>
	<u>1,018,689</u>	<u>931,603</u>	<u>36,853</u>	<u>57,420</u>

### 25 Related party transactions

Willen Hospice Ventures Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemption conferred by Section 33 Related Party Disclosures not to disclose transactions with other members of the group headed by Willen Hospice. There were no other related party transactions other than those disclosed in note 8.

### 26 Company limited by guarantee

The members' liability is limited to £1 per member/trustee in the event that the company is wound up whilst that person is a member or within 12 months of them resigning as a member if the liabilities exceed the assets.

### 27 Controlling party

The controlling party is deemed to be the Board of Trustees.