



Willen Hospice
always there to care

Willen Hospice
(A company limited by guarantee)
Report and Financial Statements
Year ending 31 March 2022

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) ^{1, 2, 7}
I Philpott ^{1, 4, 6, 7} (Resigned 28th July 2022)
M Stevenson ^{1, 2, 4}
R Gilbert ^{1, 4, 7}
P Ball (Appointed 1st April 2021)
C Dunn ³ (Resigned 28th October 2021)
M Rogers ^{1, 5, 7}
S Carbert ^{1, 2, 7}
J Wood ^{2,3}
A Coombes ¹ (Resigned 30th April 2022)
C White-Robinson ³
M Esam ¹
S Moore (Appointed 28th October 2021)
D Kulczykowska ^{2,3} (Appointed 24th February 2022)

- 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

Key management personnel: Senior managers of Willen Hospice:

Chief Executive Officer: P Wilkinson
Director of Clinical Services: K Pinheiro
Director of Finance and Resources: N Wharton
Director of People Services: A Lowe

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

This year, the Hospice has celebrated 40 years since it was established, and despite all of the uncertainties that have been with us for over the last two years, has come through the COVID pandemic, and the current period of financial uncertainty, in a strong position.

At the beginning of this financial year, the country was just coming out of lockdown during which period, our fantastic teams within the clinical and medical services departments had continued to perform outstanding work in looking after the needs of the community of Milton Keynes in respect of palliative and end of life care. Those teams have partnered with other groups within the medical and charitable communities to improve the seamless delivery of services to our patients and their families.

Throughout the period of lockdown, all of our colleagues have been busy, and planning in anticipation of what has been quaintly been termed "the new normal". Our Fundraising and Corporate Team has worked tirelessly throughout the period, exploring new partnerships and opportunities, and obtaining grants for our capital project from national and local trusts. Our Business Development teams have been planning for the opening up of new events, including the well supported Midnight Moo walk, and our Retail Teams, whose shops and warehouses have been closed for much of the period, have opened a series of new shops, in the Central Milton Keynes area, which are generating exceptional levels of retail income for the charity.

I would like to extend my thanks on behalf of all the Trustees to the hard work and diligence of colleagues and staff, which have gone beyond the "norm" in the period. All of this work is supported by our great band of volunteers, who work both in the heart of the hospice, alongside the medical teams and also in fundraising and retail environments; their contribution is immeasurable and irreplaceable; if you would like to join them, please contact our volunteer services for more information.

As a result of this extensive activity, the Hospice has reported a surplus of income this year, which is being reinvested in the current period, which continues to reflect financial uncertainty; these funds are being reinvested into Hospice activities in supporting our patients and colleagues, together with our capital development programme, which I touched on in my previous report.

We have had the benefit of some significant legacies this year, and whilst we cannot budget for these with any certainty, their significance in generating necessary funds for the continued operation of the Hospice cannot be overemphasized. It should be remembered that all of the services provided by the Hospice are free at the point of delivery, and we are grateful to those who can reflect on the quality of the care, and assist us by making provision in their wills to allow us to continue our work.

During the year, work commenced on the construction of a major extension to the Hospice, which will not only provide significantly improved facilities for our patients and their families, but also to future proof the Hospice and its existing offering for generations to come. Details of this can be seen on the Hospice website; the major element of the work should be completed by the middle of July 2022. This will then give us the opportunity of undertaking necessary remedial works to the old farmhouse, which we have used for over 40 years, and in need of significant investment to maintain it.

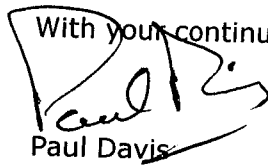
As I write this report, the Queen has granted Milton Keynes, City status. It is a great honour for "MK" to have been granted this in her Jubilee year, and what it does do is reflect the importance of Milton Keynes itself as a key piece of the demographic jigsaw in this part of the UK. The Hospice has been here for over 40 years, and has been an integral part of the local healthcare community throughout that time. A recent report by Hospice UK stated that:

"the care that people receive at the end of their life is arguably one of the most important signifiers of how well our health and care system is working".

The fact that Willen Hospice has continued to grow and thrive over the last 40 years and to work with and provide for the community which it serves, in such a magnificent way, is a true testament to not only colleagues, staff and volunteers, past and present, but also the entire Milton Keynes community which supports it, and without whom, it may have struggled to survive.

To summarise, I would simply like to thank all of the colleagues and staff, the volunteers and the community for making Willen Hospice what it is; one of the most loved, respected and essential charities in Milton Keynes and surrounding area.

With your continued support, Willen will be *"always there to care"*

A handwritten signature in black ink, appearing to read 'Paul Davis', is written over a circular stamp that is partially visible. The signature is fluid and cursive.

Chairman

04 August 2022

Trustees' Report for the year ended 31 March 2022

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 2022, 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 2022-23, the Senior Leadership Team implemented the following key objectives which we prioritise in our organisational Strategy and 3 Year Business Plan:

Deliver safe and effective care

- Refine and further develop a clear pathway into our services for all current and potential users
- Increase occupancy on IPU and support more people
- Revise skills mix and develop programme to deliver skilled palliative care professionals
- Redefine the criteria for our community to support more people and higher need

Engage users and deliver effective outcomes

- Further develop our service user engagement strategies
- Implement 'I want great care!'
- Roll out the Personalisation strategy

Trustees' Report for the year ended 31 March 2022 (continued)

Focus on Excellence, quality, compliance and safety

- Renew CHKS accreditation to demonstrate the quality and governance of our services and organisation
- Deliver the quality improvement strategy
- Improve the falls prevention strategy and continue to reduce the incidence of falls
- Review and ensure the quality and efficacy of the Willen Advice Line
- Develop and implement a fit for purpose values competencies and KPIs based appraisal process

Develop and Integrate our Holistic Services

- Finalise and induct the Therapeutic and Wellbeing team around the new model of integrated care
- Implement a new carers assessment tool
- Deliver the needs based modular programme for the wider palliative community delivered by Therapeutic and Wellbeing
- Harness volunteer programme and provide structured induction and training to maximise impact and outcomes for patients and their families

Attracting, retaining and engaging high quality staff and volunteers

- Ensure the employee journey is appropriately and efficiently managed at every stage
- Implement the volunteer strategy and increase engagement and maximise skills and experience of volunteers
- Integrate CIPHR payroll to drive efficiencies and accuracy
- Support the development of a Learning Management System
- Enhance PERCI functioning to enhance employee access.

Driving growth in sustainable income

- Implement the stewardship programme for regular Givers and implement the Regular Giving partner model
- Deliver a strategy for contactless donations
- Implement the marketing and communications strategy
- Grow legacy income by delivering the Legacy Strategy
- Deliver the major donor strategy
- Maximise net profit in retail
- Grow lottery profit
- Re-configure events and challenges programme
- Develop and implement a major donor strategy

Driving efficiency through technology resources, planning and controls

- Optimise hybrid working arrangements
- Deliver Phase 2 of the Road Map
- Deliver the Capital project
- Standardise 'Gift in kind' support
- Increase Gift aid
- Meet the reserves policy

Trustees' Report for the year ended 31 March 2022 (continued)

Volunteers at Willen Hospice

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

Our 600 volunteers provide over 102,447 hours of support which represents an estimated cost saving of £1 million.

Capital Development

In order to deliver our objectives, now and in the future, we evaluate on a yearly basis the standard of accommodation and the environment experienced by our patients and employees. Our extension to the Hospice will be complete in July 2022 at a cost of £3.9 million. The remaining £1.5m will be paid over the 2022/23 financial year. We are also committed to ensuring the existing building is maintained and refurbished, where necessary, to a good standard. We hope this work can be completed over the next two financial years.

Strategic Report 2021/22 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, £7.1 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 continued 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.

Clinical

The COVID 19 pandemic posed challenges to clinical service provision in the last year, but it also brought opportunities which the service has exploited. Clinical services were delivered flexibly to our clients using a mixture of face to face and virtual engagements. The growth in the use of technology to serve patients flexibly was borne out of the pandemic. The pandemic also fostered the opportunity for collaborative working with other health and social care providers in the BLMK area through the introduction of the twice weekly Hospice Calls. The Willen at Home (WAH) Team also developed close working with the District Nurses through a Friday meeting to plan for discharges over the weekend. These meetings have been of great benefit in providing seamless care across interfaces to our patients.

Strategic Report 2021/22 Annual Report (continued)

The service, like all others nationwide, has been challenged with the recruitment of nurses. To make the most efficient use of our nursing workforce, rotational nursing posts between the Inpatient Unit (IPU) and Willen At Home (WAH) were introduced with the aim of developing a flexible, skilled workforce, able to work wherever the need is greatest.

In addition, the nursing workforce structure was reviewed to allow for career progression. This should aid staff retention and support the newly created role of Associate Director for Clinical Services. The review has introduced Deputy Leads in IPU and WAH. These deputies are being supported to grow into their role with training, clear job descriptions and senior oversight. The workforce re structure project will continue into the 22-23 year with the use of Establishment Genie (a NICE approved staffing capacity planning tool) to determine nursing establishment and skill mix on IPU. A nursing workforce plan will be designed and implemented as well.

Furthermore, the Clinical Services leadership structure was changed to provide enhanced support to the Therapeutic and Wellbeing Teams. This change saw the Associate Director of IPU and Community Services transit into the Interim Associate Director of Clinical Services with oversight of the nursing and therapy workforce.

The WAH team implemented a project commissioned by the Clinical Commissioning Group (CCG), the Winter Bed Pressure Project. The goal was to prevent unnecessary hospital admissions for patients with end of life care needs in the community. Nursing Homes were supported with training and a 24 hour palliative care advice help line for all providers of health and social care was instituted. This project has been well received by the CCG and the Milton Keynes Nursing Homes. Although the project has officially ended, work will continue with the Nursing homes and on the Nurse led admissions projects in 22-23. Nurse led admissions was identified as having potential to reduce hospital admissions during the Winter Bed Pressure Project.

All services noted an increase in acuity of the patients. In response, IPU have developed a dependency scale and are piloting its use; and the Lymphedema services are changing the way they work to accommodate the increased demand.

Retail

Despite impacts on trade volunteers and colleagues due to the COVID 19 pandemic, Retail was a shining light delivering record sales of £2.2m. Success with pop up opportunities alongside an improvement in the existing estate helped achieve this. We successfully embedded the new structure for retail, and moved our online operations from Kiln Farm to Grafton Gate to good effect. Working in partnership with Corporates we have been able to increase income through Gift in Kind Donations therefore driving a perception of quality in our charity shops by displaying large ranges of new donated goods.

Going forward our continued focus is growing in this way, with an increased focus on developing the online stream through a restructure and renewed focus on a number of established, new and emerging platforms. Retail footprint growth remains key and our Midsummers Place flagship store is a great example of how our retail shops are effective in communicating hospice messages in the local communities in which they reside.

Our Lottery maintained a strong profit position however slightly declined on participation that said it was an area we decided not to invest in as there were bigger gains elsewhere. Going forward we are looking at ways we can better develop participation through more effective marketing and branding and a lower cost form of canvassing.

Strategic Report 2021/22 Annual Report (continued)

Our Corporate team delivered a record level of income helped by kind increases in donation levels from some of our biggest and key supporters. During the year the team adopted a more tactical and planned approach to identify new potential supporters, equipped with a Corporate Supporter Engagement Pack which helps explain the win win benefits to organisations helping Willen Hospice through increased colleague engagement and wellbeing through participation, as well as tiered structure to become a platinum partner with donations over £4k. We had some strong results from this and is reflected with the income and sponsorship throughout the year, this remains a key area to focus on and grow.

Development

This year saw excellent performance in Trust and Foundations income generation, particularly around the Capital Appeal programme and strong performance from Legacy. Major Donor income did not meet budget largely due to the curtailed face to face communications.

Fundraising

The year 2021/2022 was a challenging year for public facing fundraising. Delayed lockdowns, nervous attitudes and continued uncertainty added to the challenges that our department faced. Despite this, the support of Milton Keynes was admirable.

In our community fundraising, people left their homes to donate to our traveling float at Christmas, Easter and promoting the Midnight Moo. Hundreds of volunteers donated thousands of hours in manning our marshalling commitments at our vaccination centres. We increased our presence at socially distant public events such as fetes and fairs. Our limited third party events were admirable in their support for the Hospice where they persisted to continue to operate. The persistence of our team, volunteers and public allowed our community fundraising to exceed its budget for the year.

Events fundraising had a particularly difficult task, with Willen Hospice events being known for high attendances within Milton Keynes. The fundraising team were under resourced and had a condensed calendar, reducing time to dedicate to each event. Despite these issues, raising as much as the events team did was excellent, and vital in keeping momentum of events into future years. Events such as the Santa Dash had to be altered, but still took place and allowed for the public to support their hospice in the most positive way.

Challenge fundraising went well considering the changes to rules and regulations, with events like the London Marathon raising more than most years, and events persisting to take place such as our Hadrian's Wall Trek.

In Regular Giving, we grew our supporters by just under a quarter, which will provide much greater long term financial stability by working with a strong and ethical supplier to the sector. Our in memory fundraising continued to shine, paying testament to our services and the quality of care provided by our clinical colleagues.

Quality, Governance and Performance

This year 2021/22 has proven to be challenging for both teams. Despite post pandemic repercussions the teams have continued to remain on schedule to work with BLMK to provide data related to clinical services, complaints, incident reporting, lessons learnt and development.

Collaborative work of the Quality Team has led to the organisation achieving the CHKS accreditation award. This highlights our levels of performance to meet established standards relevant to all areas of the organisation, and in essence encourages us to continually improve.

Strategic Report 2021/22 Annual Report (continued)

The Practice Development department have been successful in winning a CHKS award under the category 'Investing & growing the future workforce' for a Learning Disability project that they undertook with McIntyre charity. The project has enabled our staff to gain an insight to the challenges that Learning Disabilities patients face when entering the end of their lives. We are now equipped to meet the needs of this vulnerable group.

We have continued to develop and implement a data dashboard that addresses key patient activity to demonstrate how the organisation has continued to develop services to ensure quality care throughout the year. In order to drive forward with evidence, we have recognised the importance of quality data to sustain the longevity of the Hospice; therefore, we will appoint a data analyst to develop this area of the business.

Education remains a key focus for the organisation and we are proud that staff mandatory training figures have continued during this year. The teams have been instrumental in developing a success system to address mandatory training on a monthly basis. Education through competencies has shown that clinical staff have continued to develop their skills and knowledge. In addition, our education team have extended education to external stakeholders throughout the year to enhance their knowledge specialist palliative and allay fears. Student Nurses have continued to provide excellent feedback of their experience achieved whilst on placement at the Hospice.

Financial review

The financial year end position results in a net surplus of £1,912,312 (2020/21 surplus £3,892,617). Financial activities include £10,135,152 of income (2020/21 £9,928,815), and £8,371,530 of expenditure (2020/21 £7,094,890) before recognising a gain on investment assets of £148,690 (2020/21 gain £1,058,692).

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. 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 2021/22 £1,306,620 (2020/21 £1,294,877).

Voluntary income (including Legacies)

During 2021/22, income from Voluntary Income totalled £7,053,377 (2020/21 £5,682,359), which included Hospice UK Grant Funding £1,304,187 (2020/21 £1,636,834).

Strategic Report 2021/22 Annual Report (continued)

Hospice UK Funding - The NHSE awarded funding to allow the Hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support.

Legacies left to the hospice in 2021/22 were £1,443,473 (2020/21 £962,435).

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 13 shops and 1 warehouse. During the year £100,275 (2020/21 £191,835) of 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 increased significantly compared to 2020/21 following the mandatory closure due to the pandemic in 2020/21 £2,095,359 (2019/20 £650,678).

Income from Events and Fundraising continued to be affected, with some events cancelled or postponed due to COVID-19, although income did increase compared to 2020/21 – 2021/22 £701,203 (2020/21 £610,659).

Income from Lottery has remained steady at £468,676 (2020/21 £466,232).

Investment Income

Income investment decreased in 2021/22 to £225,891 (2020/21 £225,649).

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 £4,802,989 (2020/21 £4,556,979).

Strategic Report 2021/22 Annual Report (continued)

Indirect Patient Care

Indirect patient care costs have increased to £1,051,803 (2020/21 £512,433). 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 £16,776,206 (2020/21 £14,863,894) including restricted funds which totalled £909,029 (2020/21 £650,596). The assets representing each of these funds are analysed in Note 20 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 Executive Committee and 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

Despite the hard work, ingenuity and diligence of the senior leadership team, fundraised income remains a risk due to the on-going impact of COVID and the volatile political and economic environment.

We have 'invested' in marketing to promote and grow our income streams and have prioritised growing 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

Strategic Report 2021/22 Annual Report (continued)

- 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 2022:

Designated reserves	3,494,521
Unrestricted general reserves	<u>10,991,470</u>
Total Free reserves:	14,485,991
Less fixed asset designated reserves:	
Property	(1,803,403)
Hospice Development	(1,289,768)
Other fixed assets	<u>(337,821)</u>
	<u>£11,054,999</u>

The designated funds set up by the Trustees are detailed in note 22.

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

2022-23 Proposed Developments and Revised Offer

In 22-23, clinical services will be focusing on consolidating the gains of the pandemic and strengthening our internal structures to allow us to provide excellent care. We have a stream of programs planned which include revitalising clinical supervision; introducing quality improvement training; making the most of data and technology and integrating our services internally to enable these goals.

Strategic Report 2021/22 Annual Report (continued)

Moreover, Willen will be hosting the Palliative Care Hub for Milton Keynes. The Hub will provide a single point of referral and assessment for all patients at end of life in Milton Keynes. This is being done collaboratively with the CCG.

Quality, Governance and Performance

- Evaluate the implementable of "I want great care!"
- Implement a new module for complaints on Vantage
- Implement and embed new architecture around policies and procedures

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
- Develop a new programme of clinical supervision

Income Generation

Looking forward to 2022/23 we will continue to gain more regular giving supporters, to allow for long term growth of the Hospice to match our population. We will strive to grow confidence in attending mass participation events within our city and more overseas challenges such as our Paris to Nice cycle ride. We are looking forward to finding new ways to thank our supporters and allow those who want to see where their money goes to utilise our new café at the hospice and understand the range of what we do as a hospice.

On a personal note I'd like to thank our staff, volunteers and passionate supporters for trying harder and donating more to ensure our hospice continues to meet the needs of Milton Keynes.

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.

We will invest in Lottery Marketing and work as a partner to raise the profile and reach of our Lottery offering.

Development

Enhancing the donor journey and integrating databases remains a priority, we will look to evaluate our CRM and optimise performance. We will invest in Legacy Marketing to enhance our offer and grow the level of partner engagement. We have made good progress in refining the donor journeys and in optimising the CRM system.

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.

Strategic Report 2021/22 Annual Report (continued)

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.

Financial

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/Health & Safety, Business Development, People Services and Property Committee.

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 leadership 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.

Strategic Report 2021/22 Annual Report (continued)

Details of Directors' expenses and related party transactions are disclosed in note 8 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.

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.

Strategic Report 2021/22 Annual Report (continued)

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

04 August 2022

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 2022 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 2022 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.

Report of the Independent Auditor to the members of Willen Hospice (continued)

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 17, 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.

Report of the Independent Auditor to the members of Willen Hospice (continued)

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.

Report of the Independent Auditor to the members of Willen Hospice (continued)

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: 10 August 2022

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

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Donations and voluntary income					
Voluntary income	1	5,190,037	400,153	5,590,190	4,045,525
Grant funding	1	-	1,604,187	1,604,187	1,636,834
Income from generated funds					
Income from Clinical Commissioning Group		1,306,620	-	1,306,620	1,294,877
Activities for raising funds	2	1,183,630	-	1,183,630	1,156,552
Investment income	3	225,891	-	225,891	225,649
Other income	4	224,634	-	224,634	1,569,378
Total income		8,130,812	2,004,340	10,135,152	9,928,815
Expenditure					
Cost of raising funds	7	(2,516,738)	-	(2,516,738)	(2,223,916)
Charitable activities	7	(4,110,628)	(1,744,164)	(5,854,792)	(5,069,412)
Impairment of investments	13	-	-	-	198,438
Total expenditure		(6,627,366)	(1,744,164)	(8,371,530)	(7,094,890)
Gain / (Loss) on investment assets	13	148,690	-	148,690	1,058,692
Net income / (expenditure)		1,652,136	260,176	1,912,312	3,892,617
Transfers		1,743	(1,743)	-	-
Net movements in funds		1,653,879	258,433	1,912,312	3,892,617
Fund balances brought forward at					
1 April 2021		14,213,298	650,596	14,863,894	10,971,277
Fund balances carried forward at 31 March 2022	21/23	15,867,177	909,029	16,776,206	14,863,894

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 £9,038,975 (2021: £8,450,183) of income, £7,171,503 (2021: £5,531,874) of expenditure and £148,690 (2021: £1,058,692) 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 2021 £
Income			
Donations and voluntary income			
Voluntary income	3,118,933	926,592	4,045,525
Grant funding	-	1,636,834	1,636,834
Income from generated funds			
Income from Clinical Commissioning Group	1,294,877	-	1,294,877
Activities for raising funds	1,156,552	-	1,156,552
Investment income	225,649	-	226,649
Other income	1,569,378	-	1,569,378
Total income	7,365,389	2,563,426	9,928,815
Expenditure			
Cost of raising funds	(2,223,916)	-	(2,223,916)
Charitable activities	(3,109,546)	(1,959,866)	(5,069,412)
Impairment of investment	198,438	-	198,438
Total expenditure	(5,135,024)	(1,959,866)	(7,094,890)
(Loss) / Gain on investment assets	1,058,692	-	1,058,692
Net income / (expenditure)	3,289,057	603,560	3,892,617
Transfers	-	-	-
Net movements in funds	3,289,057	603,560	3,892,617
Fund balances brought forward at 1 April 2020	10,924,241	47,036	10,971,277
Fund balances carried forward at 31 March 2021	14,213,298	650,596	14,863,894

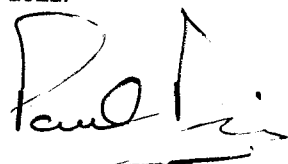
The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated Balance Sheet

Company number 1231909

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	11		25,851		32,687
Tangible assets	12		4,436,411		2,583,414
Investments	13		<u>8,515,677</u>		<u>8,190,880</u>
			12,977,939		10,806,981
Current assets					
Stocks	14	33,864		35,531	
Debtors	15	3,215,355		2,013,665	
Cash and cash equivalents	16	<u>2,371,109</u>		<u>2,574,684</u>	
		5,620,328		4,623,880	
Creditors: amounts falling due within one year	17	<u>(1,715,061)</u>		<u>(566,967)</u>	
Net current assets			3,905,267		4,056,913
Provisions for liabilities	18		(107,000)		-
Net assets			<u>16,776,206</u>		<u>14,863,894</u>
Income Funds					
Restricted funds	21		909,029		650,596
Unrestricted funds					
Designated funds	22		3,494,521		5,784,320
Other charitable funds	23		10,991,470		7,196,482
Revaluation reserve	23		<u>1,381,186</u>		<u>1,232,496</u>
Total funds			<u>16,776,206</u>		<u>14,863,894</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 04 August 2022.



P Davis
Chairman

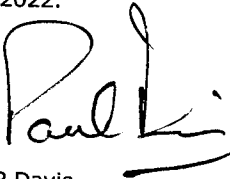
The accompanying accounting policies and notes form an integral part of these financial statements.

Charity Balance Sheet

Company number 1231909

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	11		25,851		32,687
Tangible assets	12		4,436,411		2,583,414
Investment in subsidiary undertaking	13		2		2
Investments	13		<u>8,515,677</u>		<u>8,190,880</u>
			12,977,941		10,806,983
Current assets					
Debtors	15	3,560,972		2,368,260	
Cash and cash equivalents	16	<u>1,779,743</u>		<u>1,854,049</u>	
		5,290,753		4,222,309	
Creditors: amounts falling due within one year					
	17	<u>(1,477,785)</u>		<u>(311,584)</u>	
Net current assets			3,862,930		3,910,725
Provisions for liabilities	18		(107,000)		-
Net assets			<u>16,733,871</u>		<u>14,717,708</u>
Income Funds					
Restricted funds	21		909,029		650,596
Unrestricted funds:					
Designated funds	22		3,494,521		5,784,320
Other charitable funds	23		10,949,135		7,050,296
Revaluation reserve	23		<u>1,381,186</u>		<u>1,232,496</u>
Total funds			<u>16,733,871</u>		<u>14,717,708</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 04 August 2022.


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 2022

		2022	2022	2021	2021
	Notes	£	£	£	£
Cash flows from operating activities					
Net income / (expenditure)		1,912,312		3,892,617	
Adjustments for:					
Investment income		(225,891)		(225,649)	
Amortisation	11	10,046		7,792	
Depreciation	12	289,956		189,740	
Profit on disposal of investment	13	(4,317)		-	
(Increase)/decrease in stocks	14	1,667		22,082	
(Increase)/decrease in trade and other receivables	15	(1,201,690)		(854,649)	
(Decrease)/increase in trade and other payables	17	1,148,094		61,575	
Movement on pension scheme	17	-		-	
Increase/ (decrease) in provisions	18	107,000		-	
Revaluation of investments	13	(148,690)		(1,059,667)	
Impairment of investments	13	-		(198,438)	
Cash flows generated from operating activities		1,888,487		1,835,403	
Purchase of property plant and equipment	12	(2,142,953)		(267,237)	
Purchase of intangible fixed assets	11	(3,210)		(18,691)	
Purchase of investments	13	(178,656)		(145,147)	
Proceeds from sale of investments	13	6,866		6,086	
Investment income		225,891		225,649	
Cash flows generated from investing activities		(2,092,062)		(199,340)	
Net (decrease) / increase in cash and cash equivalents		(203,575)		1,636,063	
Cash and cash equivalents at 1 April		2,574,684		938,621	
Cash and cash equivalents at 31 March	16	2,371,109		2,574,684	

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 notes.

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 5) drawn up to 31 March 2022. 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

At the time of approving the financial statements, the Board have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Board continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Principal accounting policies (continued)

Income (continued)

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.

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.

Principal accounting policies (continued)

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)
Assets under construction	-	Not depreciated

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.

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.

Principal accounting policies (continued)

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.

Provisions

A provision is recognised where an obligation exists for a future liability in respect of a past event, and where the amount of the obligation can be reliably estimated.

Notes to the financial statements

1 Donations and voluntary income

	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Donations (including gift aid)	1,336,833	400,153	1,736,986	2,112,754
Gifts in kind	31,169	-	31,169	47,447
Legacies	1,443,473	-	1,443,473	962,435
Memorials	255,260	-	255,260	244,692
Donated goods	2,095,359	-	2,095,359	650,678
Friends of Willen		-	-	-
Christmas Appeal	27,943	-	27,943	27,519
Grant funding	-	1,604,187	1,604,187	1,636,834
	<u>5,190,037</u>	<u>2,004,340</u>	<u>7,194,377</u>	<u>5,682,359</u>

2 Activities for raising funds

	2022 £	2021 £
Unrestricted funds		
Lottery income	468,676	466,231
Events and promotions income	565,203	610,659
Profit from Willen Hospice Ventures shops	<u>149,751</u>	<u>79,662</u>
	<u>1,183,630</u>	<u>1,156,552</u>

3 Investment income

	2022 £	2021 £
Unrestricted funds		
Listed investments	225,082	224,981
Bank deposits	<u>809</u>	<u>668</u>
	<u>225,891</u>	<u>225,649</u>

Notes to the financial statements (continued)

4 Other operating income

	2021 £	2021 £
Unrestricted funds		
Education	41,583	35,799
Catering	29,032	16,442
Job Retention Scheme	823	229,326
CCG COVID-19 Funding	-	875,373
Business Interruption Scheme Claim	-	194,069
Retail business support grant	100,275	191,835
Other miscellaneous income	11,830	9,867
Profit on sale of investment	4,317	-
Shop Rent	36,774	16,667
	<u>224,634</u>	<u>1,569,378</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:

	2022 £	2021 £
Turnover	2,717,388	1,635,271
Cost of sales	<u>(263,948)</u>	<u>(169,834)</u>
Gross profit	2,453,440	1,465,437
Administrative expenses	(2,115,469)	(1,767,596)
Other operating income	<u>101,098</u>	<u>556,851</u>
Operating profit	439,069	254,692
Interest receivable and similar income	<u>102</u>	<u>184</u>
Profit for the year and total comprehensive income	<u>439,171</u>	<u>254,876</u>

The net assets and liabilities of the subsidiary were:

	2022 £	2021 £
Current assets	660,709	1,068,621
Creditors: amounts falling due within one year	<u>(618,369)</u>	<u>(922,433)</u>
Total net assets	<u>42,340</u>	<u>146,188</u>
Aggregate share capital and reserves	<u>42,340</u>	<u>146,188</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 2022	Total 2021
	£	£	£	£
Cost of raising funds				
Trading	1,252,248	91,244	1,343,492	1,295,696
Lottery	216,398	40,374	256,772	211,220
Events and fundraising	373,325	228,648	601,973	416,361
Voluntary fundraising costs	<u>314,501</u>	<u>-</u>	<u>314,501</u>	<u>300,639</u>
	<u>2,156,472</u>	<u>360,266</u>	<u>2,516,738</u>	<u>2,223,916</u>
Charitable activities				
In house	2,768,428	580,651	3,349,079	2,845,198
Willen At Home	1,100,877	153,679	1,254,556	1,119,956
Wellbeing & Therapeutic	689,677	120,402	810,079	772,233
Lymphoedema Service	222,901	45,785	268,686	231,223
Governance	<u>21,106</u>	<u>151,286</u>	<u>172,392</u>	<u>100,802</u>
	<u>4,802,989</u>	<u>1,051,803</u>	<u>5,854,792</u>	<u>5,069,412</u>
Other expenses				
Impairment of investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>(198,438)</u>
Total expenditure	<u>6,959,461</u>	<u>1,412,069</u>	<u>8,371,530</u>	<u>7,094,890</u>

Note:

Support costs totalling £1,412,069 (2021: £688,569) 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	
	2022	2021	2022	2021
	£	£	£	£
Auditor remuneration				
Audit services	15,100	12,150	-	-
Non-audit services	2,450	1,350	-	-
Amortisation	10,046	7,792	10,046	7,792
Depreciation	289,956	189,740	289,956	189,740
Other operating lease rentals	342,621	(6,728)	342,621	(6,728)

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:

	2022	2021
	£	£
Salaries and wages	4,740,164	4,318,025
Social security costs	413,548	379,961
Pension costs	395,234	391,514
	5,548,946	5,089,500
Contract staff	379,487	367,029
Health Examination fees	6,559	329
	5,934,992	5,456,858

The average number of employees during the year was 197 (2021: 194).

Notes to the financial statements (continued)

8 Employees (continued)

The number of employees receiving emoluments in the following bandings is:

	2022	2021
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	-	-
£90,001 - £100,00	1	1
£100,001 - £110,000	-	-

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

The charity paid £287 (2021: £335) for indemnity insurance on behalf of the Trustees.

Remuneration for key management personnel including employer's national insurance and employer's pension totalled £229,552 (2021: £251,511) for 3 employees in the year.

Redundancy payments made in the year totalled £Nil (2021: £25,575), 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 23 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 £
Cost		
At 1 April 2021	115,705	115,705
Additions	3,210	3,210
Disposals	-	-
At 31 March 2022	118,915	118,915
Amortisation		
At 1 April 2021	83,018	83,018
Amortisation in the year	10,046	10,046
On disposals	-	-
At 31 March 2022	93,064	93,064
Net book amount at 31 March 2022	25,851	25,851
Net book amount at 31 March 2021	32,687	32,687

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 £
Cost				
At 1 April 2021	3,053,004	309,026	646,219	378,396
Additions	-	2,086,589	38,492	4,615
Disposals	-	-	-	-
At 31 March 2022	3,053,004	2,395,615	684,711	383,011
Depreciation				
At 1 April 2021	1,189,931	-	526,162	306,335
Depreciation in the year	59,676	-	32,828	18,943
Disposals	-	-	-	-
At 31 March 2022	1,249,607	-	558,990	325,278
Net book amount at 31 March 2022	1,803,397	2,395,615	125,721	57,733
Net book amount at 31 March 2021	1,863,073	309,026	120,057	72,061

Notes to the financial statements (continued)

12 Tangible fixed assets (continued)

The group and the charity

	IT hardware £	Motor vehicles £	Leasehold improvements £	Total £
Cost				
At 1 April 2021	281,300	42,774	158,027	4,868,746
Additions	10,785	-	2,472	2,142,953
Disposals	-	-	-	-
At 31 March 2022	292,085	42,774	160,499	7,011,699
Depreciation				
At 1 April 2021	189,958	36,490	36,456	2,285,332
Depreciation in the year	53,165	1,301	124,043	289,956
Disposals	-	-	-	-
At 31 March 2022	243,123	37,791	160,499	2,575,288
Net book amount at 31 March 2022	48,962	4,983	-	4,436,411
Net book amount at 31 March 2021	91,342	6,284	121,571	2,583,414

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 £
Valuation				
At 1 April 2021	6,958,384	-	1,232,496	8,190,880
Purchases and additions from reinvestment	178,656	-	-	178,656
Disposals	(2,549)	-	(4,317)	(6,866)
(Impairment) / reversal of impairment	-	-	-	-
Realised Gain	-	-	-	-
Unrealised gain on revaluation	-	-	153,007	153,007
At 31 March 2022	7,134,491	-	1,381,186	8,515,677

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 2022.

14 Stocks

The group

	2022 £	2021 £
Goods for resale	33,864	35,531

Stock recognised in cost of sales during the year as an expense was £72,746 (2021: £41,515).

Notes to the financial statements (continued)

15 Debtors

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	344,920	50,711	336,795	48,156
Other debtors	147,719	128,316	147,360	116,178
Prepayments and accrued income	2,722,716	1,834,638	2,695,723	1,536,876
Amounts owed by subsidiary undertaking	-	-	381,094	667,050
	<u>3,215,355</u>	<u>2,013,665</u>	<u>3,560,968</u>	<u>2,368,260</u>

16 Cash and cash equivalents

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Cash at bank and in hand	2,371,090	2,538,046	1,779,724	1,817,411
Cash held at investment manager	19	36,638	19	36,638
	<u>2,371,109</u>	<u>2,574,684</u>	<u>1,779,743</u>	<u>1,854,049</u>

17 Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	813,796	87,321	738,266	75,096
Social security and other taxes	95,938	91,913	95,938	78,094
Pension contributions	60,742	59,542	60,742	53,654
Other creditors	8,544	1,245	8,544	1,062
Accruals and deferred income	<u>736,041</u>	<u>326,946</u>	<u>574,295</u>	<u>103,678</u>
	<u>1,715,061</u>	<u>566,967</u>	<u>1,477,785</u>	<u>311,584</u>

Notes to the financial statements (continued)

18 Provisions for liabilities

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Dilapidation provisions	107,000	-	107,000	-
	<u>107,000</u>	<u>-</u>	<u>107,000</u>	<u>-</u>

19 Financial instruments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Financial assets:				
Financial assets measured at fair value through profit and loss	2,421,071	2,574,684	1,965,705	1,854,049
Financial assets measured at amortised cost	<u>2,995,098</u>	<u>1,811,040</u>	<u>3,117,425</u>	<u>2,249,265</u>
	<u>5,416,169</u>	<u>4,385,724</u>	<u>4,947,130</u>	<u>4,103,314</u>
Financial liabilities:				
Financial liabilities measured at amortised cost	<u>1,490,042</u>	<u>336,994</u>	<u>1,487,621</u>	<u>224,418</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.

20 Analysis of net assets between funds

Notes to the financial statements (continued)

Group – current year

	Unrestricted funds £	Restricted funds £	Total funds £
Intangible fixed assets	25,851	-	25,851
Tangible fixed assets	4,436,411	-	4,436,411
Investments	8,515,677	-	8,515,677
Current assets	4,661,337	958,991	5,620,328
Current liabilities	(1,715,061)	-	(1,715,061)
Provisions	(107,000)	-	(107,000)
	<u>15,817,215</u>	<u>909,029</u>	<u>16,776,206</u>

Group – comparative 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>

21 Restricted funds

Notes to the financial statements (continued)

The group and the charity – current year

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Education	2,282	66,000	-	-	68,282
Clinical equipment	6,764	543	(1,493)	(106)	5,708
Willen at Home	257	2,162	(2,163)	1	257
Capital Appeal	309,845	462,127	(85,267)	-	686,705
Wellbeing and Therapeutic	23,218	57,138	(42,823)	(5)	37,528
Miscellaneous	29,588	11,423	(9,650)	(1,633)	29,728
CCG COVID-19 Funding	278,642	-	(247,821)	-	30,821
Hospice UK Funding	-	1,116,187	(1,116,187)	-	-
Cancer Care in the Community	-	164,635	(114,635)	-	50,000
Winter Pressures	-	112,000	(112,000)	-	-
Bereavement Project	-	12,125	(12,125)	-	-
Total	650,596	2,004,340	(1,744,164)	(1,743)	909,026

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.

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 December 2021 to March 2022 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 December 2021 to March 2022 for the same purpose.

Notes to the financial statements (continued)

21 Restricted funds (continued)

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

Winter Pressures - Funding from BLMK CCG for non-recurrent funding for the delivery of End-of-Life Care scheme.

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 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	(36,375)	-	-
Total	47,036	2,563,427	(1,959,867)	-	650,596

Notes to the financial statements (continued)

22 Designated funds

The group and the charity – current year

	At 1 April 2021 £	Expenditure £	Transfers (see below) £	At 31 March 2022 £
Property	1,863,079	(59,676)	-	1,803,403
Hospice development	3,378,232	(2,088,464)	-	1,289,768
Other fixed assets	444,009	(106,188)	-	337,821
Retail outlet refurbishment	5,000	-	-	5,000
IT replacement	25,000	-	-	25,000
Clinical equipment	36,000	(35,471)	-	529
Planned preventative maintenance	33,000	-	-	33,000
Total	<u>5,784,320</u>	<u>(2,289,799)</u>	<u>-</u>	<u>3,494,521</u>

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 improvements 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 **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)

22 Designated funds (continued)

The group and the charity – comparative 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
Total	6,223,615	(367,073)	(72,222)	5,784,320

23 Unrestricted funds

Group – current year

	Designated funds (see note 21) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2021	5,784,320	7,196,482	1,232,496	14,213,298
Income	-	8,130,812	-	8,130,812
Expenditure	(2,289,799)	(4,337,567)	-	(6,627,306)
Gain / (loss) on revaluation	-	-	153,007	153,007
Disposals	-	-	(4,317)	(4,317)
Transfers (see note 13 & 21)	-	1,743	-	1,743
At 31 March 2022	3,494,521	10,991,470	1,381,186	15,867,177

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

Notes to the financial statements (continued)

23 Unrestricted funds (continued)

Group – comparative year

	Designated funds (see note 22) £	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 22)	(72,222)	72,222	-	-
At 31 March 2021	5,784,320	7,196,482	1,232,496	14,213,298

Charity - current year

	Designated funds (see note 22) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2021	5,784,320	7,050,297	1,232,496	14,067,113
Income	-	7,034,635	-	7,034,635
Expenditure	(2,289,799)	(3,137,540)	-	(5,427,339)
Gain / (loss) on revaluation	-	-	153,007	153,007
Disposals	-	-	(4,317)	(4,317)
Transfers (see note 22)	-	1,743	-	1,743
At 31 March 2022	3,494,521	10,949,135	1,381,186	15,824,842

Charity - comparative year

	Designated funds (see note 22) £	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	(307,260)
Transfers (see note 22)	(72,222)	72,222	-	-
At 31 March 2021	5,784,320	7,050,296	1,232,496	14,067,112

Notes to the financial statements (continued)

24 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. 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 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 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.

Notes to the financial statements (continued)

24 Pensions (continued)

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially 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.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

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)

25 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:

	2022 Land and buildings £	2021 Land and buildings £	2022 Other £	2021 Other £
In one year or less	1,418,298	3,314,456	14,061	26,196
Between two and five years	367,986	864,287	-	10,657
Over five years	<u>121,250</u>	<u>150,822</u>	<u>-</u>	<u>-</u>
	<u>1,907,534</u>	<u>4,329,565</u>	<u>14,061</u>	<u>36,853</u>

26 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.

27 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.

28 Controlling party

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

29 Subsequent events

After the year end the Charity committed to a programme of repairing and refurbishing the original Hospice building which is expected to be completed over the next 2 financial years. The costs of this programme are anticipated to be in the region of £1 million.