



Willen Hospice

(A company limited by guarantee)

Report and Financial Statements Year ending 31st March 2023

Charity number: 270194
Company number: 01231909



Index

	Page
Legal and Administrative Details	2-3
Chairman's Annual Report	4-5
Trustees' Report, including the Strategic report	6-19
Independent Auditor's Report	20-23
Consolidated Statement of Financial Activities	24
Comparative Consolidated Statement of Financial Activities	25
Consolidated Balance Sheet	26
Charity Balance Sheet	27
Consolidated Statement of Cash Flows	28
Principal accounting policies	29-32
Notes to the financial statements	33-52

Acronyms:

IPOS	Integrated Palliative Outcome Scale
MKCCG	Milton Keynes Clinical Commissioning Group
CHC	Continuing Healthcare
BLMK ICB	Bedfordshire Luton & Milton Keynes Integrated Care Board
CHKS	Comparative Healthcare Knowledge System

Legal and Administrative Details

Willen Hospice ("the Hospice") is a company limited by guarantee and a registered charity governed by its Memorandum & Articles of Association. The Directors of the Hospice 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: Paul Davis (Chairman) ^{3, 4, 5, 6, 8}
Sue Carbert (Treasurer) ^{3, 4, 7, 8}
Philip Ball ²
Madeline Rogers ^{2, 3}
Jan Wood ^{3, 6, 7}
Marihelen Esam ¹
Dagmara Kulczykowska ⁴ (appointed 3 February 2022)
Paul Cooper ^{1, 3, 4} (appointed 4 August 2022)
Steve Carbert ^{5, 8} (appointed 3 November 2022)
Marian Livingstone ¹ (appointed 8 November 2022)
Alexander Coombes (resigned 30 April 2022)
Rob Gilbert (resigned 5 May 2022)
Steve Moore (resigned 16 May 2023)
Ivan Philpott (resigned 28 July 2022)
Caroline White-Robinson (resigned 18 October 2022)
Michael Stevenson ^{4, 8}

- | | |
|---|--|
| 1 | Member of Business Development Committee/WHV Ltd Board |
| 2 | Member of Clinical Governance Committee |
| 3 | Member of Executive Committee |
| 4 | Member of Finance Committee |
| 5 | Member of Health & Safety Working Group |
| 6 | Member of IM&T Committee |
| 7 | Member of People Services Committee |
| 8 | Member of Property Working Group |

Company Secretary: Peta Wilkinson

Key Management Personnel: Senior managers of Willen Hospice:

Chief Executive Officer:	Peta Wilkinson
Director of Clinical Services:	Kikelomo Pinheiro
Director of Finance & IT:	Nicky Wharton
OD & People Director:	Ali 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 LLP
251 Upper Third Street
Bouverie Square
Milton Keynes
MK9 1DR

Independent Auditor:

Mercer & Hole LLP
Chartered Accountants & Registered Auditor
420 Silbury Boulevard
Milton Keynes
MK9 2AF

Investment Advisors:

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Rathbones
8 Finsbury Circus
London
EC2M 7AZ

Chairman's Annual Report

It gives me great pleasure to present the Annual Report of Willen Hospice for the year 2022/23.

Whilst the year has not been without its challenges, the Hospice continued to make significant progress in providing and enhancing the quality of palliative care to the community of Milton Keynes and the surrounding area which is second to none.

As detailed in the attached Trustees' and Strategic reports, the Hospice teams have risen to the combined challenges of increased demand for our services, at a time when there is acute pressure on fundraising, donations and voluntary income, and for this, I thank them unreservedly, on behalf of the Trustees.

One of the key achievements in this year was the opening of the new extension to the Hospice, which now houses the In Patient Unit, the Palliative Care Hub, new catering facilities and our café. Over the previous 2 years, our teams have learnt to work round the building works, and we now have a fully functioning facility.

Our Clinical Teams have further developed and extended the range of services to our patients, which will be enhanced by the opening of the Palliative Care Hub in our new building in July 2023. The In Patient unit now has a modern 15 bed capacity, with significant additional facilities for patients and their loved ones, and the difference that this makes to them and to our staff in offering high quality care is fantastic. The extended facilities have also enabled us to introduce outpatient clinics, which run in tandem with services provided by the Willen at Home teams, and give our patients flexibility in terms of their time and place for treatments.

This year, over 70% of our total income was generated from voluntary sources and from the activities of our Retail and Fundraising teams, who have worked tirelessly to provide enhanced levels of income and surplus to meet our ever-increasing cost base. The cost of operations has risen dramatically over the last nine months and we are forever grateful to all of our patrons, donors and volunteers for their continued support in fundraising, and the giving of their time, in every which way they can.

We are especially proud of our Legacy team, who were nominated for a national award in developing a legacy strategy for Willen; legacies are of paramount importance to all charities these days, as can be seen from national campaigns by larger charities, and I would hope that anybody who is able, would consider Willen as a suitable beneficiary in their will.

From a financial perspective, Willen remains in a strong position, having broken even in the year just ended, and having carefully managed its reserves over the last few years. Thanks have to be given to the local Integrated Care Board, who recognised the value of our Willen at Home team and the Palliative Care Hub, as part of the Integrated Care System within the Bedford, Luton and MK area.

As part of its Strategic Plan, Willen has identified a series of further developments and imperatives, which it is incorporating into its 2023-24 strategy. Whilst the focus will be on increasing the range and level of services, and focusing on becoming a centre of excellence for palliative care, due care and attention is being given to improving effectiveness and efficiency in terms of day-to-day operations, in order to balance income streams and costs.

Chairman's Annual Report (continued)

Willen very much depends on the continued support of the local community, as well as the wider healthcare organisations, with whom we have alliances and with whom we work. That support has been very much in evidence over the last year, and in summary, with that continued support, Willen will continue to thrive and grow, and will support the patients and families in Milton Keynes and surrounding area, at a time of possibly, their greatest need.

With your help and support, *"we will always be there to care"*.

Thank you.



Paul Davis
Chairman

26 July 2023

Trustees' Report for the year ended 31 March 2023

The Trustees are pleased to present their annual Trustees' Report together, with the consolidated financial statements of the Hospice for the year ended 31 March 2023.

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 Hospice 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 Hospice 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 BLMK ICB, profits from Willen Hospice Ventures Ltd through retail, events and 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 and the Senior Management Team implemented the following key aims and objectives which we prioritise in our organisational Strategy and 3 Year Business Plan:

Be the leaders in providing the best possible care to our users through their palliative journey

- Create an environment for patients, their families and colleagues that supports continuous quality improvement and innovation
- Develop collaborative working within Clinical Services and also between Business Development and Clinical Services

Organisational excellence, incorporating governance and business efficiency

- Deliver our capital development projects
- Increase engagement of volunteer and staff contributions
- Embed a culture of accountability through consistent appraisals of our processes to optimise use of funds
- Optimise use of space and flexibility to improve operational efficiency

Trustees' Report for the year ended 31 March 2023 (continued)

- Drive business efficiency through greater use of technology

A highly skilled agile workforce who are passionate about great care

- Develop and embed improved recruitment and on-boarding practices
- Review the pay structure and the “way we pay” to improve attraction, retention and transparency
- Implement systems to support effective learning and development

Sustainable income streams with a diverse and engaged supporter base

- Stabilise profit generation from all sources and by increasing revenue and income to meet the rise in expenditures
- Increase the size, breadth and diversity of our supporter engagement

A culture truly reflective of our values with a genuine one team belief

- Deliver and embed our cultural change programme and to recruit, develop and support teams in line with our values
- Driving employee and volunteer engagement through effective communication, reward and recognition strategies

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.

We have over 1,000 volunteers, who provide over 120,000 hours of support, which represents an estimated cost saving of £1 million, for which the Hospice is immensely grateful.

Capital Development

Having successfully completed our major re-building programme, which includes provide Inpatient and Therapeutic and Wellbeing facilities, together with dedicated spaces for families and our café), we are now embarking on the second major phase of the renovation of the Manor House, which will provide our main reception, upgraded meeting space and accommodation for clinicians. The build cost is circa £1 million and will be initially be funded from existing resources. The work will start in August 2023 and take approximately 10 months to complete.

Strategic Report for the year ended 31 March 2023

Achievements and Performance

The Hospice is commissioned by Bedfordshire, Luton, and Milton Keynes Integrated Care Board (BLMK ICB); we receive recurrent income of £1.5 million, with approximately £25,000 being subject to a quality review.

In 2022/23 we received an additional £1.1 million non-recurrent funding from the ICB, half of which is treated as Restricted Funds.

Our performance is measured on four domains on which we report, on a quarterly basis:

- Preventing premature death, we support patients to live as well as they can with their illness/diagnosis, we do not hasten death but allow patients and their carers to spend quality time together at the end of life. This is achieved by offering emotional, spiritual and practical care to patients and their carers;
- Enhancing the quality of life for people with long term conditions, we support patients with long term conditions in the community and in the Hospice by providing symptom management to allow them enhance their quality of life;
- Ensuring that people have a positive experience of care, we achieve this by asking patients and their carers to provide feedback regarding their care experience with our clinical services at the Hospice and in the community. The feedback that is received is shared with teams at Willen Hospice who will look to address any issues raised by stakeholders; and
- Treating and caring for people in a safe environment and protecting them from avoidable harm - our aim at all times is to assess patients care and management to protect them from harm. Audits are undertaken to look at our clinical practices to ensure patients remain safe in our care. Complaints are dealt with promptly.

The team provide a range of written reports and evidence each quarter to BLMK ICB to address the above domains.

The remaining monies, £7.6 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 year has seen an increase in the level of acuity of our patients who have presented with more complex needs and often later in their disease trajectory. Our programme of work to revise the skills mix of the clinical teams and develop clinical skills to meet the needs of our patients have had a hugely positive impact. The capital developments to the hospice, in terms of the additional facilities for patients and families, have positively contributed towards patient care of better outcomes for people. Our focus on continuous quality improvement and innovation with programmes of work focussed on data improvement, embedding assessment and e-prescribing and education training have all led to service developments which will benefit our patients. This includes nurse led services, a restructured clinical workforce and an integration of care functions across clinical services. This has enhanced flexible working and allowed us to better meet patient needs.

Strategic Report for the year ended 31 March 2023 (continued)

Clinical

The Clinical Team's goals in the last year were derived from a desire to consolidate the gains arising from the opportunities created by the COVID-19 pandemic; reinstate the good work that had been stalled and press on to break new grounds. The year was challenging yet very productive, as teams learnt, adapted, and improved.

Although there was an increase in patients with significant complexity and acuity, itself a legacy of the pandemic, care delivery remained excellent, as seen in the feedback from service users on "I Want Great Care".

Unlike in previous years, we were successful with the recruitment of nursing staff. This allowed us to change the skills mix in teams and take the first steps in succession planning. We have introduced more Associate Clinical Nurse Specialists into the teams, who will serve as a pipeline for Clinical Nurse Specialists and create a pathway for career progression for nursing staff.

In addition, we have been able to change the way the Willen at Home (WAH) team work to incorporate a planned and responsive element of the service. This change has set the structure for the incorporation of the Palliative Care Hub into the Hospice. We were successful in obtaining one off funding for the Hub from the ICB, during the year. The Hub will serve as a coordination point for the care of patients in the last year of their life and should go live by the end of July 2023.

Aside from the Hub, the change has also enabled the introduction of outpatient symptom control clinics. This allows patients with a palliative diagnosis who are able to come into the Hospice to do so. This enhances the patient's independence and provides flexibility in the way care is delivered. It works well for patient groups such as those who are in work or who want to maintain their privacy. It is also a more efficient use of nursing time.

Furthermore, last year the In Patient Unit (IPU) moved into the new build and expanded bed capacity from 7 to 15 over three months in the autumn. In preparation for the expansion, staffing establishment had been determined, with the support of Establishment Genie tool, and recruitment completed. Electronic Prescribing and Medication Administration (EPMA) and a clinical pharmacy provision was introduced to the unit to enhance patient safety. Other patient safety initiatives on the unit are the medical devices and medicines supplies procurement projects, which will ensure we have the right equipment which are appropriately maintained on the Unit at all times.

Progress has been made with Nurse led admissions and the unit has been able to support out of hours admission to the unit with medical input from the Urgent Care Centre. Work is ongoing to continue to progress nurse led admissions to the point where medical input is not required.

Therapeutic and Wellbeing teams have reintroduced services which had been suspended during the pandemic such as the Living Well, Walking, Gardening and Bereavement groups. The fantastic space in the new build has been a significant enabler.

Unfortunately, the ability to recruit to key positions has not all been positive. The challenges with recruiting a Clinical Psychologist and a second Consultant remain. This continues to hinder the development of our services as we could do more with these highly skilled staff in post.

Strategic Report for the year ended 31 March 2023 (continued)

Moreover, the demand for Lymphoedema services has outstripped our capacity to deliver and we had to make the difficult decision to restrict the criteria for access to the services to manage the demand. Talks are ongoing with the Commissioners to enhance the capacity of the team.

We also saw a significant depletion of the Practice Development team, as certain key staff moved to take up new opportunities, as part of post COVID realignment. Like-for-like replacement has proved extremely challenging and we are thinking outside the box to re-structure the team. However, great strides have been made in the face of significant challenges over the last year, and the teams have pulled together and worked harder and smarter to achieve their targets.

Retail

Despite challenging economic circumstances for our supporters, our Retail results have grown to a record level for the 2nd year in succession. Our retail strategy ensuring we reuse, resell or recycle all items wherever possible that are donated, means we have not only generated more sales from our shops; but also lucrative income streams from recycling donated goods not fit for resale.

Our online eBay shop took over £2.7m compared with £1.5m in 2019 pre-COVID; this tells us two things, firstly, our supporters are amazing, and secondly, so are our incredible volunteers and colleagues, who keep our retail operations going that produce this vital sum of money.

This, combined with the amazing generosity of a number of high street retailers and other businesses, who have donated new goods for us to sell in our shops, means our supporters and customers can live well during these challenging times on a budget. Our shops provide an educating link to the work at the hospice, whilst offering the support for the community through its highly, competitively priced goods.

Our plans to further expand our retail operations with the creation of specialist shops in our offer gives us great hope for further growth in the new financial year. We have seen a fantastic reaction to our "Off the Record" specialist vinyl and music shop which has featured in National Music Magazine-Record Collector.

We are continuing to grow and develop our Corporate business support to ensure we maintain current levels of business engagement within Milton Keynes and the surrounding area; we are aware of the challenges facing many businesses, but the continued growth of the Milton Keynes business community presents us with many opportunities. We need this help to grow not only in Retail with donations of goods to sell through our shops, but also in corporate volunteering hours, financial support via fundraising or being selected as a chosen charity for corporate social responsibility providing funding.

Fundraising

We are really pleased with our voluntary income for the financial year. When many charities are struggling in areas such as Community Fundraising, our income has been very strong, which is testament to the people of Milton Keynes, our wonderful staff team and volunteers. Our Community Fundraising has hit record levels, our trusts and foundations funding exceeded expectations, we have strong performance in some of our key events and our Gift Aid has increased, as we have put in strong systems and processes to ensure that contributions are at their absolute maximum.

Strategic Report for the year ended 31 March 2023 (continued)

Among key performing areas is our Legacy Programme, which far exceeded expectations by raising £1.5m, and was runner up for a national award in the impact of how we spend legacy income. Our Regular Giving and In Memory fundraising has done very well and is raising £535,000 per year. These are both areas where we are investing in as stable sources of income and as such, there will be further canvassing and advertisement looking into the 2023/2024 financial year, as well as seeking to do more for the philanthropists that have supported us so actively over the last few years.

Whilst the picture overall is positive, there are some areas where we would like to see some improvement. Our general donations are both under budget and lower than we would have seen in recent years. This money is made up of unprompted donations made by the public and this is consistent with some of the cost of living implications in the external environment. We have also had a hard job to recreate some of the sponsorship within our events calendar that we have seen in previous years, which could be a direct consequence of people finding it harder to get sponsored for doing our events like the Midnight Moo, although the event had an improved attendance but reduced average income.

Going forward, it is concerning to see that hospice income nationally is falling, as well as charitable giving generally. Willen Hospice needs its dedicated supporters to assist us in our ventures more than ever, as the team are working harder and smarter in order to rise to the increased costs and competitive environment.

Quality, Governance and Performance

Quality remains paramount within the organisation, and this year, the organisation has continued to report on incidents, complaints, service development and embed changes to practice in collaboration with the internal teams. From an external perspective, the quality schedule requirements outlined by the Integrated Care Board (ICB) have been delivered and achieved.

An appointment of a data analyst has seen a shift in collation of clinical data, hence the need to move forward with further development to gather rich data to enhance patient activity. In addition, the shift to separate policy and procedure has been implemented; this enables staff to access information more efficiently. The team has worked to develop a process to capture complaints on a database. This has been tried and tested by the Senior Leadership team and will be executed by June 2023. We are reassured that we are practising good data security by completing the NHS England Data Security and Protection Toolkit.

Practice Development participated in the first Palliative Care conference organised by the ICB. The event was well attended and received positive feedback. The organisation continues to support a variety of medical, allied healthcare and nursing students' placement from surrounding Universities. Our relationship with McIntyre (a learning disabilities charity) is well established and we are looking forward to continue working with them in the long term.

Strategic Report for the year ended 31 March 2023 (continued)

Financial review for the year ended 31 March 2023

For the year to 31 March 2023, the financial statements show a net surplus of £96,391 (2021/22 - Surplus £1,912,312). Consolidated income amounted to £10,194,510 (2021/22 - £10,135,152), and £9,343,526 of expenditure (2021/22 - £8,371,530) before recognising a loss on the revaluation of investment assets of £754,593 (2021/22 - gain £148,690).

The Trustee Board recognise that the Hospice should run its services in a manner that maximises the ability to care for as many people as possible, whilst being aware that the financial stability of the organisation is a priority. The increased challenges of raising funds from voluntary sources, without significant amounts of external funding, places ongoing pressure on the organisation. This position has been made more acute by the substantial increase in the utility and staffing costs in this financial year, arising from the global and national economic climate, which has made fundraising more challenging. The additional one off funding provided by the ICB to support the Willen At Home offer and Palliative Care Hub at the end of the year, was gratefully received.

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

Income

Income from Bedfordshire, Luton & Milton Keynes Integrated Care Board (BLMK ICB)

BLMK ICB income in 2022/23 amounted to £2,573,333 (2021/22 £1,306,620) includes £1,184,517 of non-recurrent funding, of which £584,517 is treated as Restricted Income.

Voluntary income (including Legacies)

During 2022/23, Voluntary Income totalled £5,926,829 (2021/22 - £5,590,190). No grant funding was received in the year. (2021/22 - £1,636,834).

Income from donated goods increased to £2,514,900 (2021/22 - £2,095,359)

Legacies receivable amounted to £1,499,420 (2021/22 £1,443,473).

Trading Company

Willen Hospice Ventures Ltd

Willen Hospice Ventures Ltd, our subsidiary company, has seen significant growth in income, despite the prevailing economic climate. Funds generated by the trading company are gift aided to the Hospice and formed part of the consolidated income to the Hospice.

Income from Lottery has remained steady at £466,268 (2021/22 - £468,676)

Investment Income

Income from investments amounted to 2022/23 to £218,865 (2021/22 - £225,891).

The objectives of the investment policy are:

Strategic Report for the year ended 31 March 2023 (continued)

Financial review for the year ended 31 March 2023 (continued)

- To create sufficient income and capital growth to enable the Hospice to continue to operate during periods of deficit,
- To maintain and if possible, enhance the value of the invested funds while they are retained, giving due and proper consideration to future needs.
- Both capital and income may be used at any time for the furtherance of the Hospice's aims and therefore the portfolio should be managed on a total return basis.

The Hospice 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 the invested group turnover arises from Tobacco, Gambling, Prostitution, or Pornography. The Trustees reserve the right to exclude companies that carry out activities contrary to the Hospice's aims, or from holding particular investments which damage the Charity's reputation; such advice and monitoring being given by our investment advisers.

Direct Costs of Patient Care

Direct costs of patient care amounted to £5,452,795 (2021/22 - £4,802,989). This increase in costs is largely due to an increase in utility charges and other associated costs of living.

Indirect Patient Care

Indirect patient care costs have decreased to £451,142 (2021/22 £1,051,803). Efficiency and the application of charitable funds is always considered to ensure value for money.

Total Funds

At the year end, the consolidated total funds of the Hospice stood at £16,872,597 (2021/22 - £16,776,206) including Restricted Funds, which totalled £1,298,515 (2021/22 - £909,029). The assets representing each of these funds are analysed in Note 20 to the financial statements.

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 Hospice's Trustees have given consideration to the major risks to which the Hospice 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:

Strategic Report for the year ended 31 March 2023 (continued)

Financial review for the year ended 31 March 2023 (continued)

- Governance;
- Operations;
- Finances;
- Environmental or external factors, such as public opinion or relationship with funders; and
- The Hospice's compliance with laws and regulations

Risk to income remains significant given our reliance on commercial and fundraising activity and the prevailing economic climate. This has led us to invest in marketing to diversify our supporter base and to create personalised marketing materials and content.

We have sought to develop our corporate partnerships and garner more sponsorship, volunteering and corporate income.

Our legacy strategy has been supported and approved by Trustees and we will implement a campaign in the new financial year to grow legacy partners and legators.

We have also worked hard to further develop our supporter services programme to improve our donor journey and steward our supporters such that they continue to engage.

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 Hospice needs reserves for the following reasons:

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

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

***Minimum** - the minimum level of reserves is set at a level equivalent to 9 months operational/running costs. Where reserves fall below this level the Council of Management would be required to consider and agree appropriate actions to address the position. If the reserves fall below an amount equivalent to 6 months, the Council of Management should reaffirm the viability of the Hospice and make such arrangements to protect the Hospice and its services.*

Strategic Report for the year ended 31 March 2023 (continued)

Financial review for the year ended 31 March 2023 (continued)

- **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.

Sustainability

Sustainability is a key focus area and we are committed to reducing our impact on the environment. This has been demonstrated with the recent re-launch this year of the Environment Champions Group consisting of members from across all departments who are working collaboratively to identify key environmental aspects and impacts to drive positive change and support the wider sustainability agenda.

Energy consumption data is now being captured on a regular basis and presented at the Property Working Group to identify our most energy intensive sites across the estate. Having visibility and monitoring consumption patterns will allow us to implement strategies and seek opportunities to improve our current and future operations in a sustainable way.

An external energy site assessment conducted in March concluded that our overall energy performance operational rating for the hospice building has improved from a rating of E to D (where A – lowest emissions to G – highest emissions of carbon dioxide emissions for the last year), with recommendations issued to us on how to further improve on the rating.

Waste segregation and recycling continue to be monitored through the annual waste audit process which has shown overall effective compliance with segregation of waste and recycling efforts.

Plans for future periods

As part of the current strategic plan, the Hospice has developed a series of key strategies which are to be implemented in the coming financial year. Major plans and strategies are set out as follows:

Major Proposed Developments and Strategic Imperatives -2023/24

Be the leaders in providing the best possible care to our users through their palliative journey

- Deliver nurse led interventions and admissions.
- Deliver the Specialist Palliative Care Hub.
- Deliver a Centre of Excellence for research and education (over the life of the business plan).
- Develop skills mix and deliver new clinical roles.
- Further enhance our Therapeutic & Wellbeing offering.

Strategic Report for the year ended 31 March 2023 (continued)

Plans for future periods (continued)

Organisational excellence, incorporating governance and business efficiency

- Complete refurbishment of the Manor House.
- Implement the next phase of the road map.
- Drive savings and reduce our environment impact.
- Achieve reaccreditation for Comparative Health Knowledge System (CHKS).

A highly skilled agile workforce who are passionate about great care

- Implement a pay framework that is affordable, transparent and facilitates pay progression.
- Develop and deliver pulse surveys for staff and volunteers to benchmark engagement.
- Implement a Learning Management System to support effective learning and development.
- Create an equality, diversity and inclusion focus group and programmes.
- Design and deliver a leadership framework and development programme.

Sustainable income streams with a diverse and engaged supporter base

- Deliver a business development data hub that will provide meaningful and accurate information to assist in strategic and localised decision making.
- Diversify our events programme to improve supporter reach.
- Develop a pipeline of projects and clinical teams to grow Trust & Foundation income.
- Deliver the legacy strategy and campaign.
- Grow our retail footprint to 30 shops over the life of the business plan.
- Engage our key partners and donors to develop partnership arrangement that drive income.

A culture truly reflective of our values and a genuine one team belief

- Continue to implement cultural change programme.
- Develop further staff and volunteer partnerships.
- Develop and implement a wellbeing programme.
- Define and deliver an internal communication strategy and programme that reflects our value and brand to support collaborative working.
- Develop new and innovative ways to engage and increase our volunteer numbers, supporters and stakeholder engagement.

Strategic Report for the year ended 31 March 2023 (continued)

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, as amended on 2 May 2013. 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 Hospice's aims and objectives.

It is also essential that there are no legal or other barriers to a Trustee's appointment.

To optimise our effectiveness we aim to recruit a diverse board with a broad range of skills, knowledge and experience. When preparing to recruit new Trustees we seek to increase, or at least

maintain the diversity of our Trustee Board, whilst ensuring we have the correct skillset for continuity.

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

Responsibility for the recruitment of new Trustees rests with the existing Trustees. They must oversee the management in an open and efficient process and always act in the best interests of the Hospice, before appointing a new Trustee; the Trustee Board must make sure that the appointment meets the requirements of the Hospice'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 Hospice.

During the induction day they meet key employees, and members of the Senior Leadership Team. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Strategic Report for the year ended 31 March 2023 (continued)

Structure, Governance and Management (continued)

Organisation

The Board of Trustees, which can have up to 15 members, administers the Hospice. The Board meets quarterly and the sub-committees covering Executive, Finance/Property, Clinical Governance/Health & Safety, Business Development, People Services, which are chaired by individual Trustees.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Hospice. 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 Hospice. Any connection between a Trustee, and senior manager of the Hospice, 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 Trustees consider that the Board of Directors, who are the Hospice's Trustees, together with 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. A policy for senior staff is set and administered by the People Services Committee in conjunction with the Remuneration Committee, which is comprised trustees.

All Trustees give their time freely and no Trustees received remuneration in the year.

Details of Trustees' 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 Hospice's Trustees (who are also the Directors of Willen Hospice for the purposes of company law) are responsible for preparing the 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).

Strategic Report for the year ended 31 March 2023 (continued)

Structure, Governance and Management (continued)

Company law requires the Trustees to prepare financial statements for each financial year. By 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 its incoming resources and the application of those resources, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Statement for disclosure to our auditor

In so far as the Trustees are aware:

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

By order of the Board of Trustees



P Davis
Chairman

26 July 2023

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 2023 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 2023 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.

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages I7-I8, the Trustees (who are also the Directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006, the Charities Act 2011 and Charities SORP 2019 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;

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

- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

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

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

Chartered Accountants and Statutory Auditor

420 Silbury Boulevard, Milton Keynes, MK9 2AF

Date: 31 July 2023

Consolidated Statement of Financial Activities for the year ended 31 March 2023 (Incorporating Income & Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Income resources from generated funds					
Voluntary income	I	5,819,146	107,683	5,926,829	5,590,190
Grant funding	I	-	-	-	1,604,187
Income from generated funds					
Income from Integrated Care Board		1,988,816	584,517	2,573,333	1,306,620
Activities for raising funds	2	1,209,776	-	1,209,776	1,183,630
Investment income	3	218,865	-	218,865	225,891
Other incoming resources	4	265,707	-	265,707	224,634
Total income		9,502,310	692,200	10,194,510	10,135,152
Expenditure					
Cost of generating funds	7	(3,439,589)	-	(3,439,589)	(2,516,738)
Charitable activities	7	(5,601,277)	(302,660)	(5,903,937)	(5,854,792)
Total expenditure		(9,040,866)	(302,660)	(9,343,526)	(8,371,530)
(Loss)/Gain on investments	13	(754,593)	-	(754,593)	148,690
Net income / (expenditure)		(293,149)	389,540	96,391	1,912,312
Transfers		54	(54)	-	-
Net movements in funds		(293,095)	389,486	96,391	1,912,312
Fund balances brought forward as at 1 April 2022		15,867,177	909,029	16,776,206	14,863,894
Fund balances carried forward at 31 March 2023	21/23	15,574,082	1,298,515	16,872,597	16,776,206

The parent charitable company 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 £9,602,069 (2022: £9,038,975) of income, £8,891,931 (2022: £7,171,503) of expenditure and (£754,593) (2022: £148,690) realised (losses)/ gains on investments assets relating to the parent company as an individual entity.

All activities of the Hospice 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 for the year ended 31 March 2022 (incorporating an income and expenditure account)

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income			
Donations and voluntary income			
Voluntary income	5,190,037	400,153	5,590,190
Grant funding	-	1,604,187	1,604,187
Income from generated funds			
Income from Integrated Care Board	1,306,620	-	1,306,620
Activities for raising funds	1,183,630	-	1,183,630
Investment income	255,891	-	255,891
Other income	224,634	-	224,634
Total income	8,130,812	2,004,340	10,135,152
Expenditure			
Cost of raising funds	(2,516,738)	-	(2,516,738)
Charitable activities	(4,110,628)	(1,744,164)	(5,854,792)
Impairment of investment	-	-	-
Total expenditure	(6,627,366)	(1,744,164)	(8,371,530)
(Loss) / Gain on investment assets	148,690	-	148,690
Net income / (expenditure)	1,652,136	260,176	1,912,312
Transfers	-	-	-
Net movements in funds	1,653,879	258,433	1,912,312
Fund balances brought forward at 1 April			
2021	14,213,298	650,596	14,863,894
Fund balances carried forward at 31 March 2022	15,867,177	909,029	16,776,206

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


Consolidated Balance Sheet

As at 31 March 2023

Company number 1231909

	Notes	2023 £	2023 £	2022 £00	2022 ££
Fixed assets					
Intangible assets	11		16,470		25,851
Tangible assets	12		5,781,516		4,436,411
Investments	13		7,014,668		8,515,677
			<u>12,812,654</u>		<u>12,977,939</u>
Current assets					
Stocks	14	46,954		33,864	
Debtors	15	2,365,336		3,215,355	
Cash and cash equivalents	16	2,601,663		2,371,109	
		<u>5,013,953</u>		<u>5,620,328</u>	
Creditors: amounts falling due within one year	17	(847,010)		(1,715,061)	
Net current assets			4,166,943		3,905,267
Provisions for liabilities	18		(107,000)		(107,000)
Net assets			<u>16,872,597</u>		<u>16,776,206</u>
Income Funds					
Restricted funds	21		1,298,515		909,029
Unrestricted funds					
Designated funds	22		1,050,000		3,494,521
Other charitable funds	23		13,897,489		10,991,470
Revaluation reserve	23		626,593		1,381,186
Total funds			<u>16,872,597</u>		<u>16,776,206</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 26 July 2023.


P Davis
Chairman

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


Charity Balance Sheet

As at 31 March 2023

Company number 1231909

	Notes	2023 £	2023 £	2022 £	2022 ££
Fixed assets					
Intangible assets	11		16,470		25,851
Tangible assets	12		5,781,516		4,436,411
Investment in subsidiary undertaking	13		2		2
Investments	13		7,014,668		8,515,677
			<u>12,812,656</u>		<u>12,977,941</u>
Current assets					
Debtors	15	2,537,563		3,560,972	
Cash and cash equivalents	16	<u>2,170,472</u>		<u>1,779,743</u>	
		<u>4,708,035</u>		<u>5,290,743</u>	5
Creditors: amounts falling due within one year					
	17	(724,276)		(1,477,785)	
Net current assets			3,983,759		3,862,930
Provisions for liabilities	18		(107,000)		(107,000)
Net assets			<u>16,689,415</u>		<u>16,733,871</u>
Income Funds					
Restricted funds	21		1,298,514		909,029
Unrestricted funds:					
Designated funds	22		1,050,000		3,494,521
Other charitable funds	23		13,714,308		10,949,135
Revaluation reserve	23		<u>626,593</u>		<u>1,381,186</u>
Total funds			<u>16,689,415</u>		<u>16,733,871</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 26 July 2023.


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 2023

		2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Net income /(outgoing) resources		96,391		1,912,312	
Adjustments for:					
Investment income	3	(218,865)		(225,891)	
Amortisation	11	10,378		10,046	
Depreciation	12	212,615		289,956	
Profit on disposal of investments	13	(128,726)		(4,317)	
Decrease/ increase in stocks	14	(13,090)		1,667	
(Decrease) / increase in trade and other receivables	15	850,019		(1,201,690)	
(Decrease)/increase in trade and other payables	17	(868,050)		1,148,094	
Increase in provisions	18	-		107,000	
Revaluation of investments	13	754,593		(148,690)	
		<hr/>		<hr/>	
Cash flows generated from operating activities			<hr/> 695,265 <hr/>		<hr/> 1,888,487 <hr/>
Cash flows from investing activities					
Purchase of property plant and equipment	12	(1,557,720)		(2,142,953)	
Purchase of intangible fixed assets	11	(997)		(3,210)	
Purchase of investments	13	(133,289)		(178,656)	
Proceeds from sale of investments	13	1,008,430		6,866	
Investment income	3	218,865		225,891	
		<hr/>		<hr/>	
Cash flows generated from investing activities			(464,711)		(2,092,062)
Net (decrease) / increase in cash and cash equivalents			230,554		(203,575)
Cash and cash equivalents at 1 April			2,371,109		2,574,684
Cash and cash equivalents at 31 March	16		<hr/> 2,601,663 <hr/>		<hr/> 2,371,109 <hr/>

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 Hospice and its subsidiary undertaking (see note 5) drawn up to 31 March 2023. The results of the Hospice'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 Hospice's accounting policies.

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

Going concern

At the time of approving the financial statements, the Board have a reasonable expectation that the Hospice 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 Hospice or sale value as follows:

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

Voluntary help is not included as income.

Principal accounting policies (continued)

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 Hospice 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 Hospice'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 Hospice.

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 Hospice 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 Hospice.

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

Intangible assets

Intangible assets consist of IT software.

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

Tangible fixed assets

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

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

Principal accounting policies (continued)

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 Hospice has become a party to the contractual provisions of the instrument.

Leased assets

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

Defined contribution schemes

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

Accounting estimates and judgements

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

Principal accounting policies (continued)

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

I Donations and voluntary income

	Unrestricted	Restricted	Total	Total
	£	£	2023	2022
			£	£££
Donations (including gift aid)	1,493,791	107,683	1,601,474	1,736,986
Gifts in kind	38,633	-	38,633	31,169
Legacies	1,499,420	-	1,499,420	1,443,473
Memorials	251,007	-	251,007	255,260
Donated goods	2,514,900	-	2,514,900	2,095,359
Christmas Appeal	21,395	-	21,395	27,943
Grant funding	-	-	-	1,604,187
	<u>5,819,146</u>	<u>107,683</u>	<u>5,926,829</u>	<u>7,194,377</u>

2 Activities for raising funds

	2023	2022
	£	££
Unrestricted funds		
Lottery income	446,268	468,676
Events and promotions income	585,067	565,203
Profit from Willen Hospice Ventures shops	<u>178,441</u>	<u>149,751</u>
	<u>1,209,776</u>	<u>1,183,630</u>

3 Investment income

	2023	2022
	£	££
Unrestricted funds		
Listed investments	218,523	225,082
Bank deposits	<u>342</u>	<u>809</u>
	<u>218,865</u>	<u>225,891</u>

Notes to the financial statements (continued)

4 Other operating income

	2023	2022
	£	££
Unrestricted funds		
Education	39,570	41,583
Catering	32,418	29,032
Job Retention Scheme	-	823
Retail business support grant	-	100,275
Other miscellaneous income	36,752	11,830
Profit on sale of investments	128,726	4,317
Shop Rent	28,241	37,774
	<u>265,707</u>	<u>224,634</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:

	2023	2022
	£	£
Turnover	1,209,776	2,717,388
Cost of sales	(327,858)	(263,948)
Administrative expenses	<u>881,918</u>	<u>2,453,440</u>
Other operating income	(488,622)	(2,115,469)
Operating profit	<u>393,296</u>	<u>439,069</u>
Interest receivable and similar income	207	102
Profit for the year and total comprehensive income	<u>393,503</u>	<u>439,171</u>

In the current year, a change of policy necessitated that donated goods were recorded as income of the charitable company.

Notes to the financial statements (continued)

The net assets and liabilities of the subsidiary were:

	2023 £	2022 £
Current assets	516,435	660,709
Creditors: amounts falling due within one year	(333,250)	(618,369)
Total net assets	183,185	42,340
Aggregate share capital and reserves	183,185	42,340

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 2023 £	Total 2022 ££
Cost of raising funds				
Trading	2,060,925	31,462	2,092,387	1,343,492
Lottery	134,968	99,758	234,726	256,772
Events and fundraising	155,265	111,135	266,400	601,973
Voluntary fundraising costs	785,181	60,895	846,076	314,501
	3,136,339	303,250	3,439,589	2,516,738
Charitable activities				
In house	3,479,364	325,001	3,804,365	3,349,079
Willen At Home	1,209,182	64,902	1,274,084	1,254,556
Wellbeing & Therapeutic	541,372	5,816	547,188	810,079
Lymphoedema Service	195,377	8,949	204,326	268,686
Governance	27,500	46,474	73,974	172,392
	5,452,795	451,142	5,903,937	5,854,792
Total expenditure	8,589,134	754,392	9,343,526	8,371,530

Notes to the financial statements (continued)

7 Analysis of expenditure (continued)

Note

Activities associated with raising funds from corporate supporters have been separately identified and included within voluntary fundraising (2022 – included in events and fundraising). Recharges for management and other central overheads have been included within voluntary fundraising (2023 £243,879, 2022 £nil). Support costs totalling £754,391 (2022: £1,412,069) have been allocated across all activities. These include costs associated with payroll and other central services. Costs have been allocated on the basis of floor area, number of staff or time spent.

Total expenditure includes:

	The group		The Hospice	
	2023	2022	2023	2022
	£	££	£	££
Auditor remuneration				
Audit services	25,000	15,110	25,000	-
Non-audit services	5,100	2,450	5,100	-
Amortisation	10,378	10,046	10,378	10,046
Depreciation	212,615	289,956	212,615	289,956
Other operating lease rentals	362,538	342,621	362,538	342,621

In 2021/22 the audit fee for the Hospice was borne by the subsidiary, Willen Hospice Ventures Limited.

8 Employees

Staff costs during the year were as follows:

	2023	2022
	£	£
Salaries and wages	5,300,350	4,740,413
Social security costs	483,836	413,548
Pension costs	417,538	395,234
	<u>6,201,724</u>	<u>5,548,946</u>
Contract staff	294,235	379,487
Health Examination fees	5,118	6,559
	<u>6,501,077</u>	<u>5,934,992</u>

The average number of employees during the year was 225 (2022: 197).

Notes to the financial statements (continued)

8 Employees (continued)

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

	2023 No.	2022 No.
£60,001 - £70,000	I	-
£70,001 - £80,000	I	-
£90,001 - £100,000	-	I
£100,001 - £110,000	I	-

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

The Hospice paid £657 (2022: £287) for indemnity insurance on behalf of the Trustees.

Remuneration for key management personnel including employer's national insurance and employer's pension totalled £359,612 (2022: £229,552) for 5 (2022: 3) employees in the year.

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 Hospice.

10 Hospice results

The Hospice 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.

Notes to the financial statements (continued)

II Intangible fixed assets

The group and the Hospice

	IT software £	Total £
Cost		
At 1 April 2022	118,915	118,915
Additions	997	997
At 31 March 2023	<u>119,912</u>	<u>119,912</u>
Amortisation		
At 1 April 2022	93,064	93,064
Amortisation in the year	10,378	10,378
At 31 March 2023	<u>103,442</u>	<u>103,442</u>
Net book amount at 31 March 2023	<u>16,470</u>	<u>16,470</u>
Net book amount at 31 March 2022	<u>25,851</u>	<u>25,851</u>

Notes to the financial statements (continued)

12 Tangible fixed assets

The group and the Hospice

	Freehold property £	Asset under course of construction £	Equipment £	Fundraising assets £
Cost				
At 1 April 2022	3,053,004	2,395,615	684,711	383,011
Additions	1,309,845	58,057	163,366	-
Transfers	2,346,425	(2,382,579)	36,154	-
At 31 March 2023	6,709,274	71,093	884,231	383,011
Depreciation				
At 1 April 2022	1,249,607	-	558,990	325,278
Depreciation in the year	111,527	-	46,364	9,346
Disposals	-	-	-	-
At 31 March 2023	1,361,134		605,354	334,624
Net book amount at 31 March 2023	5,348,140	71,093	278,877	48,387
Net book amount at 31 March 2022	1,803,397	2,395,615	125,721	57,733

Notes to the financial statements (continued)

12 Tangible fixed assets (continued)

The group and the Hospice

	IT Hardware £	Motor vehicles £	Leasehold improvements £	Total £
Cost				
At 1 April 2022	292,085	42,774	160,499	7,011,699
Additions	26,452	-	-	1,557,720
Transfers	-	-	-	-
At 31 March 2023	318,537	42,774	160,499	8,569,419
Depreciation				
At 1 April 2022	243,123	37,791	160,499	2,575,288
Depreciation in the year	44,078	1,300	-	212,615
Transfers	-	-	-	-
At 31 March 2023	287,201	39,091	160,499	2,787,903
Net book amount at 31 March 2023	31,336	3,683	-	5,781,516
Net book amount at 31 March 2022	48,962	4,983	-	4,436,411

Notes to the financial statements (continued)

13 Fixed asset investments

The Hospice

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 Hospice. Results and net assets are noted in note 5.

The group and the Hospice

	Historical cost £	Revaluation £	Market value £
Valuation			
At 1 April 2022	7,134,491	1,381,186	8,515,677
Purchases and additions from reinvestment	133,289	-	133,289
Disposals	(879,705)	(128,726)	(1,008,431)
Unrealised (loss) on revaluation	-	(625,867)	(625,867)
At 31 March 2023	<u>6,388,075</u>	<u>626,593</u>	<u>7,014,668</u>

Listed investments, all of which are UK listed investments, are stated at their mid-market value as at 31 March 2023.

There were no individual investments comprising over 5% of the value of the portfolio at the 31 March 2023.

14 Stocks

The group

	2023 £	2022 £
Goods for resale	<u>46,954</u>	<u>33,864</u>

Stock recognised in cost of sales during the year as an expense was £94,352 (2022: £72,746).

Notes to the financial statements (continued)

15 Debtors

	The group		The Hospice	
	2023	2022	2023	2022
	£	£££	£	££
Trade debtors	1,568,467	344,920	1,561,974	336,795
Other debtors	74,142	147,719	73,663	147,360
Prepayments and accrued income	722,727	2,722,716	691,408	2,695,723
Amounts owed by subsidiary undertaking	-	-	210,518	381,094
	<u>2,365,336</u>	<u>3,215,355</u>	<u>2,537,563</u>	<u>3,560,968</u>

16 Cash and cash equivalents

	The group		The Hospice	
	2023	2022	2023	2022
	£	££	£	££
Cash at bank and in hand	2,601,649	2,371,090	2,170,458	1,779,724
Cash held by investment manager	14	19	14	19
	<u>2,6101,663</u>	<u>2,271,109</u>	<u>2,170,472</u>	<u>1,779,743</u>

17 Creditors: amounts falling due within one year

	The group		The Hospice	
	2023	2022	2023	2022
	£	££	£	££
Trade creditors	161,435	813,796	153,164	738,266
Social security and other taxes	118,164	95,938	118,163	95,938
Pension contributions	59,693	60,742	59,693	60,742
Other creditors	3,590	8,544	3,590	8,544
Accruals and deferred income	504,128	736,041	389,666	574,295
	<u>847,010</u>	<u>1,715,061</u>	<u>724,276</u>	<u>1,477,785</u>

Notes to the financial statements (continued)

18 Provisions for liabilities

	The group		The Hospice	
	2023	2022	2023	2022
	£	££	£	££
Dilapidation provisions	107,000	107,000	107,000	107,000
	<u>107,000</u>	<u>107,000</u>	<u>107,000</u>	<u>107,000</u>

19 Financial instruments

	The group		The Hospice	
	2023	2022	2023	2022
	£	££	£	££
Financial assets:				
Financial assets measured at fair value through profit and loss	2,601,663	2,421,071	2,170,472	1,965,705
Financial assets measured at amortised cost	2,172,351	2,995,098	2,380,804	3,117,425
	<u>4,774,014</u>	<u>5,416,169</u>	<u>4,551,276</u>	<u>4,947,130</u>
Financial liabilities:				
Financial liabilities measured at amortised cost	725,715	1,490,042	712,944	1,487,621

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.

Notes to the financial statements (continued)

20 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Intangible fixed assets	16,470	-	16,470
Tangible fixed assets	5,781,516	-	5,781,516
Investments	7,014,668	-	7,014,668
Current assets	3,715,439	1,298,514	5,013,953
Current liabilities	(847,010)	-	(847,010)
Provisions	(107,000)	-	(107,000)
	<u>15,574,083</u>	<u>1,298,514</u>	<u>16,872,597</u>

Group – comparative 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	4,711,299	909,029	5,620,328
Current liabilities	(1,715,061)	-	(1,715,061)
Provisions	(107,000)	-	(107,000)
	<u>15,867,177</u>	<u>909,029</u>	<u>16,776,206</u>

Notes to the financial statements (continued)

21 Restricted funds

The group and the Hospice – current year

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Education	68,282	30,000	(33,790)	-	64,492
Clinical equipment	5,708	26,074	(22,453)	(287)	9,042
Willen at Home	257	584,517	(21,000)	-	563,774
Capital Appeal	686,705	27,547	(88,669)	-	625,583
Wellbeing and Therapeutic	37,528	18,476	(42,399)	233	13,838
Miscellaneous	29,728	355	(20,040)	-	10,043
CCG COVID-19 Funding	30,821	-	(19,078)	-	11,743
Cancer Care in the Community	50,000	5,231	(55,231)	-	-
Total	909,029	692,200	(302,660)	(54)	1,298,515

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** is monies given to provide IT equipment and training for the Willen at Home team and for the costs of setting up Palliative Care Hub.

The **Capital Appeal fund** is made up of specific donations given to support the Hospice building project, which is being amortised over the life of the donated assets.

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)

2I 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 Hospice – comparative year

	At I April 2021 £	Income £	Expenditure £	Transfers £	At 3I 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)	I	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)	909,029

Notes to the financial statements (continued)

Designated funds

The group and the Hospice – current year

	At 1 April 2022 £	Expenditure £	Transfers (see below) £	At 31 March 2023 £
Property	1,803,403	(59,378)	(1,744,025)	-
Hospice development	1,289,768	(1,182,538)	892,770	1,000,000
Other fixed assets	337,821	(93,605)	(244,216)	-
Retail outlet refurbishment	5,000	-	(5,000)	-
IT replacement	25,000	-	-	25,000
Clinical equipment	529	-	(529)	-
Planned preventative maintenance	33,000	-	(8,000)	25,000
Total	3,494,521	(1,335,521)	(1,109,000)	1,050,000

The **Hospice development fund** represents funds to allow the Hospice to invest in long-awaited improvements.

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.

Transfers were made to and from unrestricted funds as required (see note 23).

Notes to the financial statements (continued)

22 Designated funds (continued)

The group and the Hospice – comparative 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	-	-	36,000
Planned preventative maintenance	33,000	-	-	33,000
Total	5,784,320	(2,289,799)	-	3,494,521

23 Unrestricted funds

Group – current year

	Designated funds (see note 21) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2022	3,494,521	10,991,470	1,381,186	15,867,177
Income	-	9,502,310	-	9,502,310
Expenditure	(1,335,521)	(7,705,345)	-	(9,040,866)
(Loss) / (gain) on revaluation	-	-	(625,867)	(625,867)
Disposals	-	-	(128,726)	(128,726)
Transfers (see note 13 & 21)	(1,109,000)	1,109,054	-	54
At 31 March 2023	1,050,000	13,897,489	626,593	15,574,082

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 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)
(Loss) / gain 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	10,991,470	1,381,186	15,867,177

Hospice - current year

	Designated funds (see note 22) £	Other charitable funds £	Revaluation reserve £	Total £
At 1 April 2022	3,494,521	10,949,135	1,381,186	15,824,842
Income	-	8,909,869	-	8,909,869
Expenditure	(1,335,521)	(7,253,750)	-	(8,589,271)
(Loss) / gain on revaluation	-	-	(625,867)	(625,867)
Disposals	-	-	(128,726)	(128,726)
Transfers (see note 22)	(1,109,000)	1,109,054	-	54
At 31 March 2023	1,050,000	13,714,308	626,593	15,390,901

Notes to the financial statements (continued)

23 Unrestricted funds (continued)

Hospice - comparative 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

24 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 FRM 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 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant

Notes to the financial statements (continued)

FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

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 Hospice

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

	2023 Land and buildings £	2022 Land and buildings £	2023 Other £	2022 Other £
In one year or less	279,601	1,418,298	118,746	14,061
Between two and five years	502,304	367,986	-	-
Over five years	250,110	121,250	-	-
	<u>1,032,015</u>	<u>1,907,534</u>	<u>118,746</u>	<u>14,061</u>

26 Related party transactions

Willen Hospice Ventures Limited is a wholly owned subsidiary of the Hospice 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 Hospice committed to a programme of repairing and refurbishing the original Hospice building which is expected to be completed over the next financial year. The costs of this programme are anticipated to be in the region of £1 million.