

20 years of precious memories

Willow's Annual Report and Accounts 2019

Company number: 5207070



Letter from our Chair and CEO: 20 years of Special Days

In 2019 Willow turned 20. In the summer of 1999, Bob and Megs Wilson made the bold decision to found a new charity. They wanted to celebrate the life of their daughter Anna and the joyful spirit she brought to every day and everyone she met. They set up Willow to create much needed Special Days for seriously ill young adults between the ages 16-40. They knew the chance to spend precious time and create magic memories with loved ones was invaluable. 17 Special Days were created in that first year, from evenings out to see Mamma Mia or the Lion King, to afternoons watching Arsenal and meeting the stars.

Now over 17,000 Special Days later – days that have touched the lives of hundreds of thousands of people - we've come a very long way.

But the need for Willow's service is greater than ever.

Each year across the UK we estimate that 15,000 young adults, aged 16 to 40, are newly diagnosed with a life-threatening illness. That equates to more than 40 young adults every single day who could be eligible for a Special Day. As with many charitable organisations across the UK, Willow continues to face a more challenging environment in which we operate. However, in the face of these challenges and with the ongoing commitment of support from individuals, companies, trusts and foundations and other organisations Willow was able to provide 1,070 Special Days in 2019 but we know we could make a positive impact for so many more.

Being diagnosed with a life-threatening illness has a profound effect on people. Alongside the many hospital appointments and often long treatments plans, research shows that

young cancer patients experience anxiety and isolation, often coupled with a less obvious burden of the financial impact of their diagnosis. Our Special Days support seriously ill young adults in the here and now, when they are faced with the emotional and practical impact of their illness.

There was much to celebrate in 2019 but the Covid pandemic of 2020 has brought many challenges and has had a significant impact across Willow's entire operation. You can read more about how we've responded and what the future holds on p18.

We would like to take this opportunity to thank our loyal supporters; from individuals and companies, to trusts and foundations – your support ensured we could respond to the events of 2020 quickly and effectively. With our dedicated volunteers, staff, trustees and committees we're confident we can bounce back from 2020 to many more years of precious memories and Special Days.

Best Wishes



Richard King
Chair of Trustees



Jonathan Aves
Chief Executive Officer



20 years of quality time

Willow was founded in 1999 by former Arsenal goalkeeper and TV presenter, Bob Wilson and his wife Megs, as a lasting memorial to their daughter Anna, pictured right, who died of cancer aged 31. The inspiration for Willow came from Anna's determination to live every moment to the full, despite the most difficult circumstances.



Anna's love of life and her own 'special days' taught us that quality of life and quality of time is so very important.

Bob & Megs Wilson, Willow Life Presidents

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Our strategy

We believe that all young adults should have the opportunity to experience quality of life and quality of time, despite the difficult reality of living with life-threatening illness. We are now midway through our strategy for 2018-2020, which focusses our charitable resources as outlined in the following key ambitions:

Growth

- We will continue to build and diversify Willow's fundraising income with a focus on long-term sustainability and regular giving.
- In order to grow our supporter base and beneficiary reach, we will continue to raise awareness of our service and organisation nationally.



Impact

- We aim to deliver more than 1,000 high quality and individual Special Days for seriously ill young adults and their families every year.
- We will introduce quantitative-based service impact reporting to complement our qualitative efforts already in place.
- Clear impact and outcomes will allow us to provide better reporting to our funders and will inform our communications.

Sustainability

- We aim for our organisation to operate with financial sustainability whilst maximising its resources in an efficient and cost effective way
- We are focusing our efforts on building strategic and long-term partnerships. In addition, we understand the importance of diversifying and growing our networks to extend our reach.

Our values

Willow's values are core to our fundraising and service delivery and support our belief in quality of life and quality of time.

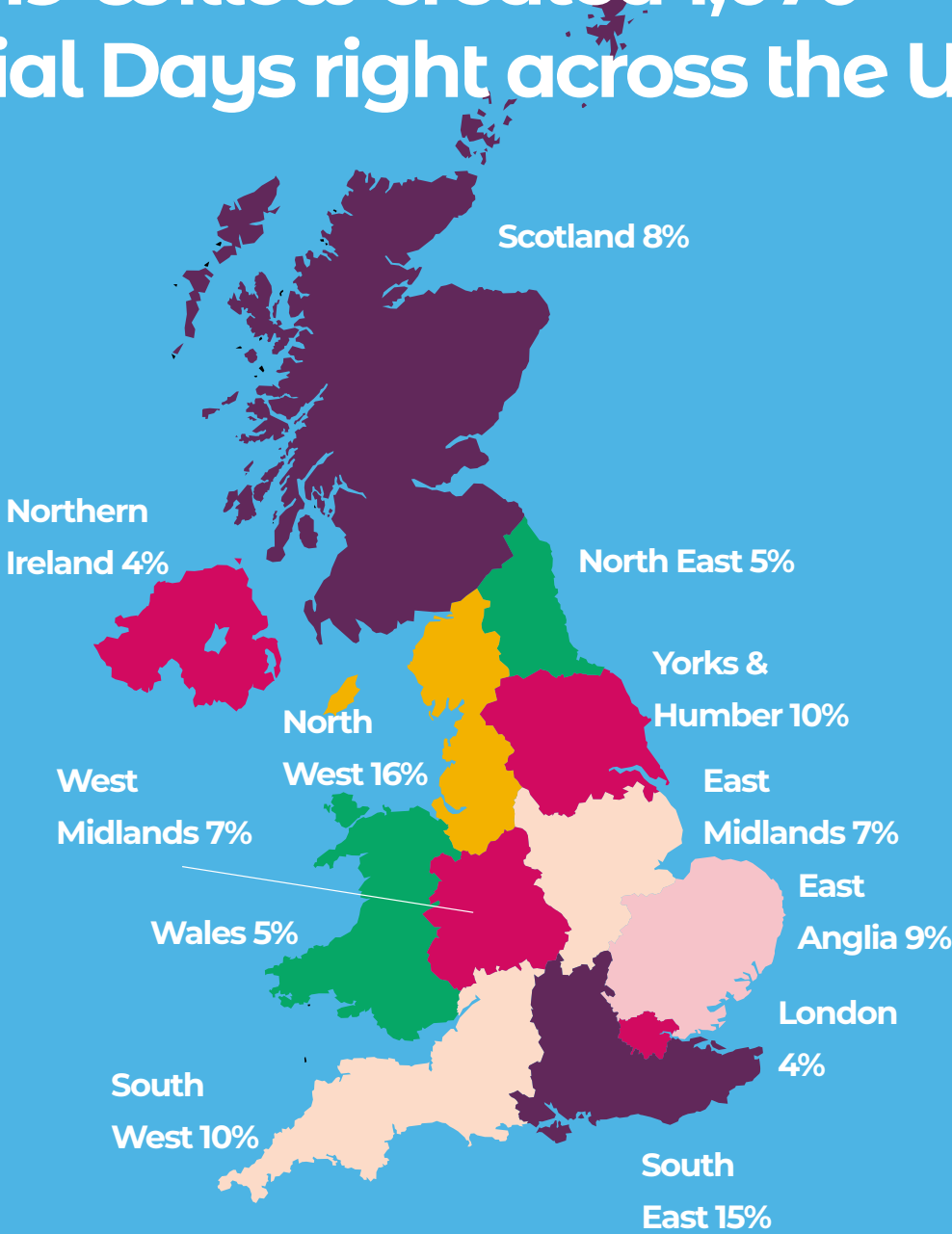
We are caring.

We are all about special relationships.

We cherish people and time.

We have the courage to imagine otherwise.

In 2019 Willow created 1,070 Special Days right across the UK



17,000+

Special Days created since 1999

70,000+

Smiles created for Special Day beneficiaries and their companions since 1999

Beneficiaries by condition





Creating precious memories

Living with a serious illness can affect how you feel about your self image and can lead to a loss of confidence and identity. By providing Special Days, Willow helps young adults and their loved ones regain a sense of normality at a time when life feels unpredictable. We want to make people feel like themselves again and create precious memories for the whole family to share.

Everyone is different. That's why Willow makes sure every Special Day is completely bespoke. No two days should ever be the same and whether it's a relaxing break away at a spa, an adrenaline fuelled sky dive or quality time away with the family, we want to make sure each Special Day is unique and unforgettable.

In 2019 we created 1,070 Special Days for seriously ill young adults and their loved ones. We aimed to provide a personalised service to each and every one. Some of our more unusual Special Days included a visit to the Olympia Horse Show, a trip to Twickenham to see the England rugby team win in the Six Nations tournament, a trip to the top of the Shard and a visit to the Insomnia 64 Gaming Festival.

Although a lot of our days are about regaining normality, sometimes people use their Special Day to fulfil a lifelong dream. In 2019 we organised some incredible meet and greet experiences, creating an unforgettable opportunity for our beneficiaries to meet their heroes. We organised Special Days with a hugely diverse range of celebrities, ranging from players from Liverpool and Manchester Utd to the actor Tom Hiddleston.

This bespoke service is what makes Willow special. We always aim to make every single Special Day we organise a personalised experience, whether they are about rest and relaxation or excitement and adventure.



How we improved our service in 2019

In 2019 we focussed on making Special Days even better in a number of ways...

Our new partners at The Tiny Box Company donated bespoke, high quality Willow-themed gift boxes, free of charge, for us to send out details of a Special Day to each beneficiary.

Inside these bespoke boxes, we are now including added extras such as toys, colouring books and pencils, chocolates and small gifts – all themed to each Special Day.

During 2019 we focussed on improving the beneficiary experience, sourcing the best packages available and researching new options and ideas for Special Days.

We also recruited volunteers to work directly alongside Willow Day Makers to help with research for Special Days and add creative touches.



Making our relationships work harder

At Willow we aim to build strong and lasting relationships with all of our suppliers. In the last year there have been several companies that have made a huge difference to Special Days. BuyaGift, The Savoy and Center Parcs have all helped us save thousands of pounds while providing amazing Special Days, guaranteed to create long-lasting memories. We know from the feedback we received what a difference these Special Days make not only to beneficiaries, but also to their families.

We are aiming to create even stronger supplier relationships, working on contacts we already have as well as generating as many new partnerships as possible. In addition to encouraging gifts in kind, we want to encourage our Special Day suppliers to start working with our fundraising team, thus engaging them across Willow as a whole.

Quality of life and quality of time

Every year more than 15,000 young adults, aged 16 to 40, across the UK are newly diagnosed with a life-threatening illness.

The impact of diagnosis, treatment and recovery is devastating at any time but especially at an age that should be all about living life to the full.

Willow creates unique and unforgettable Special Days for seriously ill young adults.

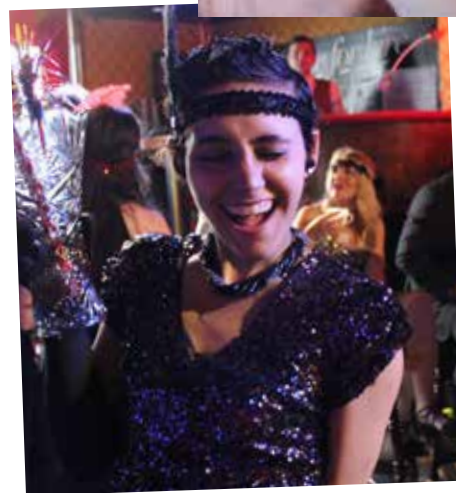
For many their day is a vital respite from the daily struggles and the chance to regain some invaluable normality. For some it can be a last chance to fulfil a dream or simply to spend quality time with family and friends.

For everyone a Special Day is about shared experiences and making memories to treasure. One such shared experience was Krista's Special Day.



As a cancer patient, looking forward to something positive means so much.

We had the most incredible, hilarious, amazing day!



Krista was 24 and training to be a doctor when she was diagnosed with osteosarcoma, a type of bone cancer, in 2018. She had to go through months of chemotherapy and surgery.

For her Special Day, Willow arranged for Krista to host a Murder Mystery Birthday Party at a pub near her home to thank her friends for the care they showed her during her illness and treatment...

“ You never think you are going to get bone cancer at the age of 24, so it was a huge shock for all of us. My partner Oliver and my friends cared for me during my treatment.

For my Special Day I wanted to take the opportunity to celebrate and relax with all my friends, as so much of the time over the last year we've been dealing with grief and illness. They deserved this as much as I did.

As a cancer patient you begin to remember a lot of specific dates or where you were in the stages of your treatment or surgery. Looking forward to a positive date means so much. It was also important to see how far I have come over the last year.

Everyone had a spectacular time on our Special Day, we had the most incredible, hilarious amazing day, everyone loved every minute of it. It was the best party

I have ever been to and the best one I have ever hosted. Everyone was in character and costume the entire day and loved the mystery so much. It was such a contrast to my last birthday when I was post chemo, feeling really poorly and using a wheelchair.

Post diagnosis we now make more effort to enjoy and appreciate every minute and I am so grateful for all the days when I feel well. We can now remember this happy memory for months and hopefully years to come. ”





Funding Special Days

At Willow we work with thousands of supporters who give generously to make Special Days a reality. They give their time, energy, creativity and funds to Willow, enabling us to create more than 1,000 Special Days every year. We are grateful to every supporter and endeavour to put them at the heart of everything we do.

Individual Giving

Individual Giving income includes funds from supporters who give regularly, people who respond to our appeals and key supporters who make significant philanthropic donations.

In 2019 Individual giving income rose by 17% to over £331,000.

During 2019 Willow supporters donated through a wide variety of activities and gifts including responding to our appeals, newsletters and raffle.

Some of our most valued supporters are those who have experienced the magic of a Special Day for themselves, whether because they had a Special Day, or because they are the friend or family member of a Special Day beneficiary.

Donations made in memory of loved ones who have passed away also account for a large amount of the income we receive and are an area we continue to grow and invest in. We are extremely grateful when families make

a donation so others can experience a Special Day in the future.

We are incredibly grateful to all the loyal supporters who have joined us over the past 20 years. None of our work is possibly without their dedication.

Trusts and Foundations

2019 has been an exceptional year with achieved growth in donations of 49%. This was due, in part, to a number of one-off donations from key supporters to help mark and celebrate Willow's 20th anniversary year. We also maintained the continued support of our loyal, repeat donors through our stewardship and bespoke applications for funding. Bespoke applications for funding are key to our Trusts and Foundations strategy as it allows us to focus on a specific area of our service in line with the trust or foundation's own giving criteria. As our service is nationwide, and across all life-threatening conditions, we can offer many different restricted funding opportunities.



Community and Challenge

Willow's wonderful community of fundraisers from across the UK helped raise an incredible £491,000 in 2019.

Throughout 2019 Willow's supporters have organised over 250 fundraising events, including Take Time for Tea, bake sales, football matches, head shaves, raffles and family fun days all to raise funds for the charity.

Fundraisers like Sue and Elizabeth (pictured above) who organised a Take Time for Tea event. After Sue had her own Special Day in 2010, she couldn't wait to fundraise for others when the time was right. Sue and her good friend, Elizabeth, arranged a truly amazing Take Time for Tea. They enjoyed lots of treats and raised a wonderful £3,000 to make more Special Days possible.

In 2019 the Willow 10k saw more than 700 runners take part, raising an incredible £26,000.

Corporate Partnerships

We were involved in a varied range of innovative and exciting corporate partnership activities throughout the year. After an incredible first year we were delighted to once again partner with Advent of Change, the philanthropic advent calendar, in December.

The Savoy hosted several incredible Special Days and their impact creates true unique 'money-can't-buy' experiences. We were delighted to further cement this partnership by holding the Willow Ball at the Savoy in 2019.

Coutts support us across event activities. In particular, we were delighted to hold the London Football Awards private launch at their offices.

Our Development Board, a loyal group of senior executives from across different sectors, offer valuable expertise and give access to their networks by facilitating introductions. These efforts result in significant support across our fundraising areas.



Special events for Special Days

Our programme of special events once again delivered significant income for Willow in 2019.



The **London Football Awards** ceremony hosted by Laura Woods and Luke Kempner at Battersea Evolution on 28 February and attended by current players and football legends, raised £399,000 in 2019.

The Willow Ball, held in November at the Savoy Hotel and hosted by Dara Ó Briain and featuring a live auction with Martin Bayfield raised £441,000 in 2019.



The Willow Shoot, held in May at the prestigious Royal Berkshire Shooting School, the annual event raising in excess of £70,000 in 2019.



Willow celebrated its 20th anniversary with an exciting and fresh fundraiser: **The Extraordinary Collection**. For this project, we partnered with 20 highly acclaimed international and Turner-prize-winning artists who each generously donated a work of art. The pieces were auctioned off following a public exhibition in the Atrium at Coutts and raised £111,000.

Our **Rugby Preview World Cup Dinner** at the Savoy in September hosted by Jim Rosenthal included a live Q&A with Rory Underwood, Rob Andrews, Alex Goode and Charlie Hodgson, and gave attendees the chance to mix with stars from the world of international rugby. It raised £42,000.

Alongside our own events, we also benefit from events organised by our supporters. **LeeStock**, was set up in memory of Lee Dunford who had a Special Day before he passed away. 3,000 people attended each day of the two day festival which was headlined by Pixie Lott and Starsailor and raised in excess of £15,000 in 2019.



Bob Wilson joins the team from Willow's Welwyn shop for the Arsenal FC takeover

Shopping for Special Days

In line with our long-term strategy for sustainable income streams, our retail shops continued to raise public awareness and generate an increased contribution to Special Days.

We were delighted to open our sixth charity shop in Letchworth Garden City in September 2019, which proved a great addition to our retail operation. In 2019 total retail income rose by 10% and performance of our shops continues to increase.

Income Classification per Accounting Standards

Income Stream	Total	Donations and legacies	Fundraising events	Retail shops	Other trading activities	Investments
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Special Events	1,240	174	1,066			
Community & Challenge	491	491				
Retail	530	133		397		
Corporate Partnerships	320	320				
Trusts & Foundations	449	449				
Individual Giving	331	305			26	
Investments	53					53
Other	24	24				
Total	3,438	1,896	1,066	397	26	53

A very special team

Delivering over 1,000 Special Days each year is only possible thanks to a team of dedicated employees and volunteers...

During 2019 we continued to challenge ourselves to deliver more with less and over the year we had the equivalent of over 45 full-time members of staff.

Staff Remuneration Policy

The decision regarding pay increases will primarily be informed by benchmarking our salaries through participation in the XpertHR Voluntary Sector Salary Survey and specifically for Retail, in the participation and reporting of the Charity Retail Association.

Our priority is to ensure that salaries are paid at market level rates and we will first address any salary anomalies where this is not the case. Consideration will then be given to individual performance and position within an employee's pay band.

Pay increases for any individual above 10% will require further higher level approval from the Governance Committee.

The pay of the Chief Executive and Leadership Team will be reviewed and approved by the Governance Committee.

New staff will be offered a salary that takes into account the skills and experience they bring to the role, the responsibility level and job function of the role, pay equality, and affordability.

The pay of a new employee will not generally be reviewed in their first year.

Any member of staff subject to poor performance or misconduct procedures would not be eligible for a review until the expiry of any warning.

Any staff employed on a fixed term contract for a period of 1 year or less

would also not be eligible for a review.

The same terms and conditions and pension provisions, apply to all staff.

Remuneration

The Trustee Board oversees the pay, pension and benefits for the Chief Executive and Senior Leadership team through the Governance Committee.

During the year, we undertook a full benchmarking review of our pay based on the XpertHR Voluntary Sector Salary Survey and specifically for Retail the Charity Retail Association Workforce Survey to inform any pay awards for our staff.

Volunteers

Volunteers continue to provide essential support across all functions in the charity. We have had great success with advertising specific volunteer roles, specifying key skills or experiences that we are looking for.

Volunteers are central to all of our activities at Willow. In 2019 volunteers contributed 19,529 hours to Willow's work - an increase of over over 1,500 hours on 2018! We estimate this is an equivalent value of £170,000 to Willow.

Income and expenditure

Income

Total income raised in 2019 was £3,438,000.

Net Income after spending on charitable services and fundraising remained broadly as 2018, with a small increase in the deficit of £11,000.

Income from fundraising events increased against the prior year by £118,000, representing a 12% increase. This was due to an increase in auction income as we introduced a successful new Art Event to the Willow calendar.

Both income from donations and legacies and expenditure on raising funds have reduced materially against the prior year driven by the change in golf events where we replaced a much larger golf event with our Willow Golf Classic event, reducing costs by £742,000 and income by £846,000.

From 1 January 2019 all Willow retail activity has been accounted for entirely through the Foundation and Willow Retail Limited, the retail trading subsidiary, has been dormant from that date.

Retail shop sales increased by £51,000, 15% as in September we opened a new retail store in Letchworth.

Expenditure

Expenditure on raising funds reduced against last year by £617,000, representing a reduction of 23%. The change in structure of the Willow Senior Golf Classic as mentioned above accounted for £742,000 of the reduction, against an increase in Retail costs of £40,000 driven by the additional shop opening and increasing costs of the London Football Awards.

Expenditure on Special Days reduced

by £75,000, representing a 5% decrease despite a 2% increase in days provided from 1,052 in 2018 to 1,070 in 2019.

Willow's fundraising model and ratios

Large fundraising events have, for many years provided a significant and important proportion of Willow funds. This has been a legacy from the charity's beginning where the Founders Bob and Megs Wilson were able to use their sporting connections and other relationships to raise large sums for Willow. These events continue to provide a valuable source of income – but also carry significant cost and risk, whilst reducing our charitable spend ratio.

Given the current situation with Covid and the social distancing measures in place, this has had a significant impact on income from Willow events in 2020 and whilst costs have been reduced accordingly, like many other charities in a similar position, our charitable spend ratios have reduced in the short term as we deal with the impact of the pandemic.

A key focus for Willow, therefore is to achieve a more sustainable and balanced, fundraising model. We continue to develop other long term sustainable ways to raise funds, which will help Willow to move towards better fundraising ratios, for example developing our trust and foundation, legacy and philanthropy programmes.

Reserves policy

All charities are required to consider how much they need to hold in reserves. The extent depends upon the scale and nature of the charity’s activities.

At Willow we hold reserves to ensure that in the event of a downturn in income or substantial fluctuations in cash flow, the charity can continue to meet its commitments to Special Days and to operate for up to 6 months.

Willow holds restricted and unrestricted reserve funds. Unrestricted funds are composed of designated funds held for specific purposes and general funds that can be used for any activity in pursuit of the charitable objectives of Willow.

Restricted funds are outstanding balances on funds that have been donated for a specific purpose.

At 31 December 2019 Willow held the following levels of reserves:

Reserve Funds	Dec-19 £000s	Dec-18 £000s
Unrestricted Funds		
General	1,200	958
Designated Fund Fixed Asset Reserve	66	77
Designated Fund Special Days Reserve	571	612
Designated Fund Investment Reserve	451	383
Designated Fund Retail Development Reserve	-	291
Total Unrestricted Funds	2,288	2,321
Restricted Funds	175	3
Total	2,463	2,324

Our designated reserves at the end of the year totalled £1,088,000 (2018 £1,363,000), they are made up from:

- Special Days Reserve £571,000 (2018 £612,000) a reserve to specifically cover the costs of future commitments to Special Days which can often be booked up to six months in advance. The size of the reserve is set at the direct cost of delivering 50% of the

annual Special Days.

- Fixed Assets Reserve £66,000 (2018 £77,000) this reserve allows for the depreciation of fixed assets and is equal to the book value of the fixed assets in the group.
- Investment Reserve £451,000 (2018 £383,000) represents 20% of our investment portfolio and allows for fluctuations in the market value of investments.
- General Reserve £1,200,000 (2018 £958,000) is the balance of unrestricted funds, at year end it represented 6 months of operational expenditure.

Investments

Willow’s governing document permits the Trustees to invest the assets of the charity. These investments give assurance that Willow can continue to effectively operate in the short term in the event of a downturn in income.

The Finance & Audit Committee review investment performance quarterly and meet with the Investment Manager, Quilter Cheviot Investment Management, every 6 months to review investment strategy. The Manager operates within an agreed asset allocation and guidelines on the size of individual holdings.

As a charity concerned with seriously ill young people, investment in manufacturers of tobacco is expressly prohibited.

Our investments were valued at £2,254,000 on 31 December 2019 (£1,915,000 on 31 December 2018), an increase of 18%.

Principle risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance.

In managing risk, Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that Trustees can make the most of opportunities and develop them with the confidence that any risks will be managed. Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur.

The Senior Management team regularly review all existing risks on the register as well as emerging risks and actions to mitigate risks. The key risks are reviewed quarterly at each Trustee meeting and the full risk register is reviewed annually by the Trustees. The Trustees are satisfied that key risks have been identified; that there is sufficient internal accountability and control and that mitigating actions have been identified for each risk.

The table shows the three risks that were agreed by the Trustees as rated high in probability of occurrence and impact, as at December 2019.

Risk	Management
1. Growth in demand for Special Days exceeds growth in income	1. Reserves available to meet short-term excess demand 2. Application numbers monitored and promotional activity adjusted accordingly 3. Identify actions needed to manage service delivery on forecast income level
2. Loss on investments	1. Funds managed by professional investment managers, Quilter Cheviot Investment Management, working within asset allocation and risk profile specified by Finance & Audit Committee 2. Performance regularly reviewed by Finance & Audit Committee 3. Designated reserve held in the event of investment loss 4. Bi-annual meeting with Investment Managers
3. Failure to achieve budgeted income to support organisational plan	1.Diversified income streams 2. Implementation of annual activity plan monitored monthly 3.Income pipelines carefully monitored 4.Reserves protect against short-term fluctuations

Rising to the challenge of an unprecedented year

Thanks to our loyal supporters and a dedicated team, Willow was able to respond to the unprecedented events of 2020, adapt our service to the new normal, and set in place plans to thrive in the coming years.

Tough decisions

We had to take some very tough decisions. In March, in line with public health guidance, we were forced to put our Special Day service on hold to ensure the safety of our beneficiaries. This meant disappointing over 600 seriously ill young men and women, who had been looking forward to their Special Day for months. This was particularly hard as many of them were now shielding and facing months of isolation and uncertainty.

We responded and adapted quickly and effectively to the developing circumstances to ensure our vital service could weather the storms of 2020 and re-emerge, bold and resilient in 2021.

Innovative solutions

We looked to reduce costs and generate income in new ways. We took advantage of the Government's furlough scheme and reduced staff to a core team to see us through lockdown, finding innovative new ways to work together online.

We were forced to close our retail shops, but were able to apply for retail grants to ensure they could return after lockdown. We also took the opportunity to engage with loyal customers and donors on social media so that Willow was able to benefit from fresh donations when lockdown eased.

Supporting Special Days

We inevitably had to postpone some fundraising events - our China Trek is now scheduled for 2021 - but we worked with partners and set up new systems to capitalise on the opportunities for virtual fundraising events.

Nevertheless, even with some incredible events, including the Big21 Challenge and the virtual Folk by the Oak festival, our income dropped dramatically.

It's a sign of just how valued and loved Willow is that throughout this incredibly challenging period, our supporters have remained incredibly loyal and dedicated to ensuring the survival of Willow Special Days. You can read more about how we developed our services to spread hope and positivity through the most difficult times on the facing page.

Charting a way forward

With an adapted service and a new environment for raising income Willow will remain agile and continue to monitor and manage the Covid risks alongside our routine risks. To plan and chart the way forward, the next step for our Leadership Team and Trustee Board was to propose a way forward for Willow as it emerges from the current situation, to ensure that we are in a strong position and here to support our beneficiaries with Special Days for many more years to come. With a new organisational structure in place and whilst social distancing restrictions remain, we believe that 2021 will be a year of slow recovery but remain positive for what the future holds. We continue to adapt and evolve our income generating activities to reflect the new environment and will continue to support our beneficiaries with our innovative service delivery highlighted on the facing page.

Spreading hope and positivity

Thanks to our loyal supporters, Willow was able to adapt its service to the new normal, while remaining focused on creating magic moments and precious memories.



Virtual Special Days

Lockdown creates challenges for Special Days where we arrange for people to meet their heroes. However, we were able to create a number of virtual Special Days for people like Kaedi. Kaedi is 22 and lives with lymphoma. She's a big fan of Holly and Phillip from This Morning and had asked if it was possible to meet them. Lockdown prevented a personal meeting, but Holly and Phillip were able to record a special video message for Kaedi.

Kaedi was delighted: "This is absolutely amazing! I'm so happy and overwhelmed that they have taken the time to send me a message."

Positivity Packs

While we couldn't make Special Days in lockdown, we could still create Special Moments. That's why we teamed up with the brilliant Not Another Bunch Of Flowers to create Willow Positivity Packs. Throughout 2020 we have sent out hundreds of packs and we've been incredibly touched to hear just what they mean to people. One quote seemed to sum it up very well...

"Your kindness is very much appreciated. It is a difficult time, but I know we will come out the other side smiling."



Special Days at home

Once lockdown eased we were able to create new types of Special Days at home. We were delighted to be able provide a Special Day at Home for Laura from Dundee (left) who is being treated for lymphoma. She shared her day with her best friend Dawn and their two sons, Connor and Ben. They enjoyed an extra special night in with a Gaming Van, movies, takeaway, board games and lots of goodies.

Independent auditor's report to the members of Willow Foundation

Opinion

We have audited the financial statements of Willow Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 Financial Reporting Standard 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 December 2019 and of the group's and parent charitable company'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
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of 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 trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company 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 charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Judith Miller (Senior statutory auditor)

27 November 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor, Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act

Consolidated statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2019

				2019	2018
	Note	Unrestricted	Restricted	Total	Total
		£	£	£	£
Income from:					
Donations and legacies	3	1,299,805	595,811	1,895,616	2,782,360
Fundraising events	4	1,065,747	-	1,065,747	948,076
Retail shop sales	4	397,233	-	397,233	346,428
Other trading activities	4	26,077	-	26,077	15,051
Investments	5	52,926	-	52,926	48,976
Total income		2,841,788	595,811	3,437,599	4,140,891
Expenditure on:					
Raising funds in the parent charity	6	2,083,166	5,000	2,088,166	2,361,644
Raising funds through Willow Events Ltd	6	-	-	-	(2,565)
Raising funds through Willow Retail Ltd	6	-	-	-	346,308
Charitable activities: Special Days	6	1,090,690	419,215	1,509,905	1,584,956
Tax payable by subsidiaries	11	-	-	-	-
Total expenditure		3,173,856	424,215	3,598,071	4,290,343
Net income expenditure before net gains / (losses) on investments	7	(332,068)	171,596	(160,472)	(149,452)
Net gains / (losses) on investments	13	299,537	-	299,537	(140,597)
Net income / (expenditure) for the year before other recognised gains and losses		(32,531)	171,596	139,065	(290,049)
Gains on sale of fixed assets		-	-	-	-
Net movement in funds		(32,531)	171,596	139,065	(290,049)
Reconciliation of funds					
Total funds brought forward		2,320,863	3,137	2,324,000	2,614,049
Total funds carried forward		2,288,332	174,733	2,463,065	2,324,000

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

Parent charity statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2019

		Unrestricted	Restricted	2019 Total	2018 Total
Note	£	£	£	£	£
Income from:					
Donation from subsidiary Willow Events Ltd		-	-	-	3,442
Other donations and legacies	3	1,299,805	595,811	1,895,616	2,778,918
Other trading activities	4	1,489,057	-	1,489,057	965,694
Investments	5	52,926	-	52,926	60,084
Total income		2,841,788	595,811	3,437,599	3,808,138
Expenditure on:					
Raising funds	6	2,083,166	5,000	2,088,166	2,372,776
Charitable activities: Special Days	6	1,090,690	419,215	1,509,905	1,584,956
Tax payable by subsidiaries	11	-	-	-	-
Total expenditure		3,173,856	424,215	3,598,071	3,957,732
Net income / (expenditure) before net gains / (losses) on investments		(332,068)	171,596	(160,472)	(149,594)
Net gains / (losses) on investments	13	299,537	-	299,537	(140,597)
Net income / (expenditure) for the year before other recognised gains and losses		(32,531)	171,596	139,065	(290,191)
Gains / (losses) on sale of fixed assets		-	-	-	-
Loss on transfer of reserves from Willow Retail		(228,253)	-	(228,253)	-
Net movement in funds		(260,784)	171,596	(89,188)	(290,191)
Reconciliation of funds					
Total funds brought forward		2,549,114	3,137	2,552,251	2,842,442
Total funds carried forward		2,288,330	174,733	2,463,063	2,552,251

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

Balance sheets

As at 31 December 2019

		The group		The charity	
	Note	2019 £	2018 £	2019 £	2018 £
Fixed assets:					
Tangible assets	12	66,016	76,511	66,016	15,127
Investments	13	2,254,460	1,914,771	2,254,460	1,914,771
		2,320,476	1,991,282	2,320,476	1,929,898
Current assets:					
Stock	15	6,863	5,361	6,863	5,277
Debtors	16	372,355	731,194	374,654	1,027,999
Cash at bank and in hand		170,215	120,903	167,914	82,498
		549,433	857,458	549,431	1,115,774
Creditors: amounts falling due within one year	17	406,844	524,740	406,844	493,421
Net current assets / (liabilities)		142,589	332,718	142,587	622,353
Total assets less current liabilities		2,463,065	2,324,000	2,463,063	2,552,251
Total net assets / (liabilities)		2,463,065	2,324,000	2,463,063	2,552,251
Funds:					
Restricted income funds	21	174,733	3,137	174,733	3,137
Unrestricted income funds:					
Designated funds		1,088,617	1,363,004	1,088,617	1,363,004
General funds		1,199,715	957,859	1,199,713	1,186,110
Total unrestricted funds		2,288,332	2,320,863	2,288,330	2,549,114
Total funds		2,463,065	2,324,000	2,463,063	2,552,251

Approved by the trustees on 27 November 2020 and signed on their behalf by



Richard King, Chair of Trustees

Company no. 5207070

Consolidated statement of cash flows

For the year ended 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	22		77,826		(227,372)
Cash flows from investing activities:					
Dividends, interest and rents from investments		52,926		48,976	
Proceeds from the sale of fixed assets		-		-	
Purchase of fixed assets		(41,288)		(2,374)	
Proceeds from sale of investments		282,192		440,122	
Purchase of investments		(481,808)		(296,092)	
(Increase)/decrease in cash in investment portfolio		159,464		(180,375)	
Net cash provided by / (used in) investing activities			(28,514)		10,257
Change in cash and cash equivalents in the year			49,312		(217,115)
Cash and cash equivalents at the beginning of the year			120,903		338,018
Change in cash and cash equivalents due to exchange rate movements			-		-
Cash and cash equivalents at the year-end			170,215		120,903

Notes to the financial statements

For the year ended 31 December 2019

1: Accounting policies

a) Statutory information

Willow Foundation is a charitable company limited by guarantee and is incorporated in the UK. The registered office address is Gate House, Fretherne Road, Welwyn Garden City AL8 6NS.

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Willow Events Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's financial statements, which include a statement of financial activities as well as a balance sheet.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on the basis that Willow Foundation has adequate resources to continue in operational existence 12 months from the date of approval of the accounts (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. Covid-19 has significantly affected activities during 2020. However the going concern basis is still appropriate because:

- The charity shops have been closed during lockdown but when reopened have had sales back at their pre-lockdown level. Fundraising income has reduced and is expected to be at a lower level during 2021 but the charity has scaled back spend to allow for this;
- A significant proportion of expenditure is discretionary. The charity has scaled back its Special Day services and restructured in late 2020, making a number of roles redundant;
- The unrestricted general reserve remains above target level;
- The Group has a high level of valuable assets including its investment portfolio. Investments suffered a large decrease in value early in 2020 but this was all recovered by the end of August 2020;
- The cash position is positive. Natwest Bank credit committee approved a loan for £450,000. The loan will be secured on the portfolio and negotiation of the security documentation is ongoing. This loan provides additional back-up to support Willow's operations.

Management have undertaken detailed forecasting and sensitivity analysis to December 2021 and the trustees have considered uncertainties and

liquidity risks. Covid-19 has brought about unprecedented uncertainty but the combination of the security from the investment portfolio together with access to a bank loan plus the flexibility in the organisation's structure give the trustees confidence that the charitable company can continue as a going concern. Further details can be found in the trustees' annual report.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so please refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes without any more specific purpose being laid down by the donor.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities within the charitable company and its subsidiaries with a fundraising purpose. It includes allocated support costs.
- Expenditure on charitable activities includes the costs of delivering and promoting services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of governance and support, including staff costs within these functions, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity and is reviewed each year.

- Charitable activity - provision of Special Days 48%
- Generating funds 52%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity

is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Land and buildings 50 years
- Leasehold improvements term of lease
- Furniture, equipment and software 3 years

m) Listed investments

"Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and

any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.”

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Stocks

Purchased stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are not included in the financial statements until they are sold or distributed.

p) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

q) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held by our investment managers for re-investment, which are included in the value of investments.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the

amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. With the exception of the listed investments described above, the charity only has financial liabilities of a kind that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their settlement value.

s) Pensions

The charity’s policy is to operate a group personal pension scheme compliant with auto-enrolment requirements and to contribute a maximum of 5% of the employee’s gross salary to this scheme or to another defined contribution personal pension scheme of choice as long as the employee matches the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

2: Detailed comparatives for the statement of financial activities

	Unrestricted	Restricted	2018 Total
	£	£	£
The Group			
Income from:			
Donations and legacies	2,248,970	533,390	2,782,360
Fundraising events	948,076	-	948,076
Retail shop sales through Willow Retail Ltd	346,428	-	346,428
Other trading activities	15,051	-	15,051
Investments	48,976	-	48,976
Total income	3,607,501	533,390	4,140,891
Expenditure on:			
Raising funds in the parent charity	2,361,644	-	2,361,644
Raising funds through Willow Events Ltd	(2,565)	-	(2,565)
Raising funds through Willow Retail Ltd	346,308	-	346,308
Charitable activities: Special Days	1,049,066	535,890	1,584,956
Tax payable by subsidiaries	-	-	-
Total expenditure	3,754,453	535,890	4,290,343
Net expenditure before losses on investments	(146,952)	(2,500)	(149,452)
Net losses on investments	(140,597)	-	(140,597)
Net movement in funds	(287,549)	(2,500)	(290,049)
Reconciliation of funds:			
Total funds brought forward	2,608,412	5,637	2,614,049
Total funds carried forward	2,320,863	3,137	2,324,000

2: Detailed comparatives for the statement of financial activities (continued)

	Unrestricted	Restricted	2018 Total
	£	£	£
The Charity			
Donation from subsidiary Willow Events Ltd	3,442	-	3,442
Other donations and legacies	2,245,528	533,390	2,778,918
Other trading activities	965,694	-	965,694
Investments	60,084	-	60,084
Total income	3,274,748	533,390	3,808,138
Expenditure on:			
Raising funds	2,372,776	-	2,372,776
Charitable activities: Special Days	1,049,066	535,890	1,584,956
Tax payable by subsidiaries	-	-	-
Total expenditure	3,421,842	535,890	3,957,732
Net expenditure before losses on investments	(147,094)	(2,500)	(149,594)
Net losses on investments	(140,597)	-	(140,597)
Net movement in funds	(287,691)	(2,500)	(290,191)
Reconciliation of funds:			
Total funds brought forward	2,836,805	5,637	2,842,442
Total funds carried forward	2,549,114	3,137	2,552,251

3: Income from donations and legacies

	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
	£	£	£	£	£	£
Gifts	1,298,519	342,446	1,640,965	2,248,970	263,900	2,512,870
Legacies	1,286	-	1,286	-	-	-
Donated services	-	253,365	253,365	-	269,490	269,490
	1,299,805	595,811	1,895,616	2,248,970	533,390	2,782,360

All donations and legacies were received by the parent charity.

4: Income from other trading activities

	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
	£	£	£	£	£	£
Fundraising events	1,065,747	-	1,065,747	948,076	-	948,076
Retail shops	397,233	-	397,233	346,428	-	346,428
Sale of merchandise	7,134	-	7,134	3,457	-	3,457
Raffles and other trading	18,943	-	18,943	11,594	-	11,594
	1,489,057	-	1,489,057	1,309,555	-	1,309,555

In 2019 all income was received by the parent charity. During 2018, all retail shops trading income was received in the subsidiary company Willow Retail Ltd.

5: Income from investments

	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
	£	£	£	£	£	£
Investment portfolio	52,624	-	52,624	48,733	-	48,733
Bank interest	302	-	302	243	-	243
	52,926	-	52,926	48,976	-	48,976

In 2019 all investment portfolio income and bank interest was received in the parent charity.

6a: Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities: Special Days £	Governance costs £	Support costs £	2019 Total £	2018 Total £
The Group						
Staff costs (Note 8)	741,170	337,310	-	471,255	1,549,735	1,489,607
Providing Special Days	-	806,107	-	-	806,107	892,117
Generating voluntary income	146,140	-	-	-	146,140	134,939
Fundraising events	515,169	-	-	-	515,169	1,200,437
Merchandising and raffles	9,045	-	-	-	9,045	7,750
Running retail shops	266,826	-	-	-	266,826	260,354
Investment management	12,788	-	-	-	12,788	12,138
Audit and accountancy	-	-	11,700	-	11,700	11,460
Other governance costs	-	-	5,441	-	5,441	579
Communications	-	-	-	28,824	28,824	27,622
Premises, facilities & IT	-	-	-	217,701	217,701	233,393
General management & HR	-	-	-	15,663	15,663	11,976
Financial administration	-	-	-	12,932	12,932	7,971
	1,691,138	1,143,417	17,141	746,375	3,598,071	4,290,343
Support costs	388,115	358,260	-	(746,375)	-	-
Governance costs	8,913	8,228	(17,141)	-	-	-
Total expenditure 2019	2,088,166	1,509,905	-	-	3,598,071	
Total expenditure 2018	2,705,387	1,584,956	-	-	4,290,343	4,290,343

Of the total expenditure, £3,173,856 was unrestricted (2018: £3,754,453) and £424,215 was restricted (2018: £535,890).

	Cost of raising funds £	Charitable activities: Special Days £	Governance costs £	Support costs £	2019 Total £	2018 Total £
The Charity						
Staff costs (Note 8)	741,170	337,310	-	471,255	1,549,735	1,279,605
Providing Special Days	-	806,107	-	-	806,107	892,117
Generating voluntary income	146,140	-	-	-	146,140	270,119
Fundraising events	515,169	-	-	-	515,169	1,203,002
Merchandising and raffles	9,045	-	-	-	9,045	7,750
Running retail shops	266,826	-	-	-	266,826	-
Investment management	12,788	-	-	-	12,788	12,138
Audit and accountancy	-	-	11,700	-	11,700	11,460
Other governance costs	-	-	5,441	-	5,441	579
Communications	-	-	-	28,824	28,824	27,622
Premises, facilities & IT	-	-	-	217,701	217,701	233,393
General management & HR	-	-	-	15,663	15,663	11,976
Financial administration	-	-	-	12,932	12,932	7,971
	1,691,138	1,143,417	17,141	746,375	3,598,071	3,957,732
Support costs	388,115	358,260	-	(746,375)	-	-
Governance costs	8,913	8,228	(17,141)	-	-	-
Total expenditure 2019	2,088,166	1,509,905	-	-	3,598,071	
Total expenditure 2018	2,372,776	1,584,956	-	-		3,957,732

On 1 January 2019, the activity of Willow Retail Ltd, a subsidiary of Willow Foundation, was transferred over to Willow Foundation. The retail activity is now operated by the charity directly.

6b: Analysis of expenditure (prior year)

	Cost of raising funds	Charitable activities: Special Days	Governance costs	Support costs	2018 total
	£	£	£	£	£
The Group					
Staff costs (note 8)	683,439	332,509	-	473,659	1,489,607
Providing Special Days	-	892,117	-	-	892,117
Generating voluntary income	134,939	-	-	-	134,939
Fundraising events	1,200,437	-	-	-	1,200,437
Merchandising and raffles	7,750	-	-	-	7,750
Running retail shops	260,354	-	-	-	260,354
Investment management	12,138	-	-	-	12,138
Audit and accountancy	-	-	11,460	-	11,460
Other governance costs	-	-	579	-	579
Communications	-	-	-	27,622	27,622
Premises, facilities & IT	-	-	-	233,393	233,393
General management & HR	-	-	-	11,976	11,976
Financial administration	-	-	-	7,971	7,971
	2,299,057	1,224,626	12,039	754,621	4,290,343
Support costs	399,949	354,672	-	(754,621)	-
Governance costs	6,381	5,658	(12,039)	-	-
Total expenditure 2018	2,705,387	1,584,956	-	-	4,290,343
Total expenditure 2017	2,682,663	1,876,758	-	-	4,559,421

Of the total expenditure, £3,754,453 was unrestricted (2017: £4,056,002) and £535,890 was restricted (2017: £503,419).

	Cost of raising funds	Charitable activities: Special Days	Governance costs	Support costs	2018 total
	£	£	£	£	£
The Charity					
Staff costs (note 8)	473,437	332,509	-	473,659	1,279,605
Providing Special Days	-	892,117	-	-	892,117
Generating voluntary income	270,119	-	-	-	270,119
Fundraising events	1,203,002	-	-	-	1,203,002
Merchandising and raffles	7,750	-	-	-	7,750
Investment management	12,138	-	-	-	12,138
Audit and accountancy	-	-	11,460	-	11,460
Other governance costs	-	-	579	-	579
Communications	-	-	-	27,622	27,622
Premises, facilities & IT	-	-	-	233,393	233,393
General management & HR	-	-	-	11,976	11,976
Financial administration	-	-	-	7,971	7,971
	1,966,446	1,224,626	12,039	754,621	3,957,732
Support costs	399,949	354,672	-	(754,621)	-
Governance costs	6,381	5,658	(12,039)	-	-
Total expenditure 2018	2,372,776	1,584,956	-	-	3,957,732
Total expenditure 2017	1,795,585	1,876,758	-	-	3,672,343

7: Net incoming resources for the year

This is stated after charging / crediting:

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Depreciation	51,783	58,097	51,783	15,033
Profit on disposal of fixed assets	-	-	-	-
Interest payable	-	-	-	-
Operating lease rentals: Property	183,466	178,994	183,466	69,344
Operating lease rentals: Vehicles	3,320	3,388	3,320	3,388
Auditors' remuneration (excluding VAT):				
Audit	9,750	9,550	9,750	9,550
Other services	2,250	1,300	1,600	-

8: Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Salaries and wages	1,301,848	1,275,043	1,301,848	1,080,283
Redundancy and termination costs	10,394	-	10,394	-
Social security costs	113,939	99,416	113,939	90,336
Employer's contribution to defined contribution pension schemes	116,278	106,930	116,278	100,768
Operating costs of defined benefit pension schemes	-	-	-	-
Other forms of employee benefits	7,276	8,218	7,276	8,218
	1,549,735	1,489,607	1,549,735	1,279,605

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	The group		The charity	
	2019	2018	2019	2018
	No.	No.	No.	No.
£60,000 - £69,999	1	1	1	1
£70,000 - £79,999	1	1	1	1

The total employee benefits including NI and pension contributions of the key management personnel were £212,718 between 3 senior staff (2018: £203,998 between 3 senior staff).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Trustees' expenses representing the payment or reimbursement of travel and subsistence costs are potentially payable but none were claimed in 2019 (2018: £nil).

9: Staff numbers

The average number of employees during the year was as follows:

Headcount basis is the average number employed during the year.

	The group		The charity	
	2019	2018	2019	2018
	No.	No.	No.	No.
Full-time equivalent staff numbers				
Raising funds - voluntary income	8.8	7.5	8.8	7.5
Raising funds - events sales	4.7	5.1	4.7	5.1
Raising funds - retail shop sales	11.2	9.0	11.2	-
Charitable activity: providing Special Days	12.5	11.2	12.5	11.2
Support	7.7	8.3	7.7	8.3
Governance	1.0	1.0	1.0	1.0
	45.9	42.1	45.9	33.1
Headcount	56	53	56	40
Full-time staff	26	22	26	19
Part-time staff	30	31	30	21
	56	53	56	40

10: Related party transactions

There are no related party transactions to disclose for 2019 (2018: none).

11: Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Willow Events Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was nil.

No UK corporation tax was payable in 2019 (2018: nil).

12: Tangible fixed assets

The group	Leasehold improvements	Fixtures & fittings	Equipment, furniture & software	Total
	£	£	£	£
Cost				
At the start of the year	224,110	24,568	172,726	421,404
Additions in year	11,940	11,951	17,397	41,288
Disposals in year	-	-	-	-
At the end of the year	236,050	36,519	190,123	462,692
Depreciation				
At the start of the year	155,782	17,116	171,995	344,893
Charge for the year	45,420	5,033	1,330	51,783
Eliminated on disposal	-	-	-	-
At the end of the year	201,202	22,149	173,325	396,676
Net book value				
At the end of the year	34,848	14,370	16,798	66,016
At the start of the year	68,328	7,452	731	76,511

Of the assets above, assets valued at £66,016 at 31 December 2019 (2018, £15,127) are held in the charity (see below) and used for charitable purposes. Assets valued at £0 at 31 December 2019 (2018, £61,384) are held in the subsidiary Willow Retail Ltd and used for retail trading.

The charity	Leasehold improvements	Fixtures & fittings	Equipment, furniture & software	Total
	£	£	£	£
Cost				
At the start of the year	42,252	1,277	163,118	206,647
Transfers in from subsidiary	181,858	23,291	9,608	214,757
Additions in year	11,940	11,951	17,397	41,288
Disposals in year	-	-	-	-
At the end of the year	236,050	36,519	190,123	462,692
Depreciation				
At the start of the year	27,995	674	162,851	191,520
Transfers in from subsidiary	127,787	16,442	9,144	153,373
Charge for the year	45,420	5,033	1,330	51,783
Eliminated on disposal	-	-	-	-
At the end of the year	201,202	22,149	173,325	396,676
Net book value				
At the end of the year	34,848	14,370	16,798	66,016
At the start of the year	14,257	603	267	15,127

All of the above assets are used for charitable purposes.

13: Listed investments

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Fair value at the start of the year	1,711,077	1,995,704	1,711,077	1,995,704
Additions at cost	481,808	296,092	481,808	296,092
Disposal proceeds	(282,192)	(440,122)	(282,192)	(440,122)
Net gain / (loss) on change in fair value	299,537	(140,597)	299,537	(140,597)
Fair value at the end of the year	2,210,230	1,711,077	2,210,230	1,711,077
Cash held by investment broker pending reinvestment	44,230	203,694	44,230	203,694
Fair value at the end of the year including cash	2,254,460	1,914,771	2,254,460	1,914,771

Investments comprise:

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Equity shares listed in the UK	585,425	533,457	585,425	533,457
Equity shares listed in mainland Europe	115,446	98,191	115,446	98,191
Equity shares listed in the USA	480,229	323,857	480,229	323,857
Equity shares listed in Japan & Asia	144,070	174,537	144,070	174,537
Equity shares Global	111,962	139,423	111,962	139,423
UK bonds	315,156	155,515	315,156	155,515
Alternative Investments	287,969	131,820	287,969	131,820
Global bonds	115,424	111,621	115,424	111,621
Emerging markets	54,549	42,656	54,549	42,656
Cash	44,230	203,694	44,230	203,694
	2,254,460	1,914,771	2,254,460	1,914,771

14: Subsidiary undertakings

The charitable company owns the whole of the issued ordinary share capital of Willow Events Limited and Willow Retail Limited, both companies registered in England. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiaries is shown below:

Willow Events Ltd	2019	2018
	£	£
Turnover	-	875
Cost of sales	-	3,875
Gross profit	-	4,750
Administrative expenses	-	(1,310)
Other operating income	-	2
Operating profit	-	3,442
Interest payable	-	-
Profit on ordinary activities	-	3,442
Gift aid to parent undertaking	-	(3,442)
Profit / (loss) for the financial year	-	-
The aggregate of the assets, liabilities and funds was:		
Assets	2,300	2,640
Liabilities	(2,299)	(2,639)
Funds	1	1

Willow Events Ltd was dormant during the year 2019. It is being kept open in the expectation of potential future trading activity.

Willow Retail Ltd	2019	2018
	£	£
Turnover	-	481,608
Cost of sales	-	(421)
Gross profit	-	481,187
Administrative expenses	-	(469,935)
Other operating income	-	22
Operating profit	-	11,274
Interest payable	-	(11,132)
Profit on ordinary activities	-	142
Gift aid to parent undertaking	-	-
Profit for the financial year	-	142
The aggregate of the assets, liabilities and funds was:		
Assets	-	153,038
Liabilities	-	(381,290)
Funds	-	(228,252)

On 1 January 2019, the activity of Willow Retail Ltd was transferred over to Willow Foundation. The subsidiary was dormant during 2019 and will be closed down when appropriate.

15: Stock

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Finished goods	6,863	5,361	6,863	5,277
	6,863	5,361	6,863	5,277

16: Debtors

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	82,275	117,753	84,574	117,753
Other debtors	53,011	44,182	53,011	353,932
Prepayments	191,787	251,262	191,787	239,606
Accrued income	45,282	317,997	45,282	316,708
	372,355	731,194	374,654	1,027,999

17: Creditors: amounts falling due within one year

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	87,107	134,149	87,107	115,559
Taxation and social security	27,694	28,677	27,694	28,677
Other creditors	33,830	12,074	33,830	12,074
Accruals	64,271	159,890	64,271	147,161
Deferred income	193,942	189,950	193,942	189,950
	406,844	524,740	406,844	493,421

18: Deferred income

Deferred income comprises proceeds from tickets sold for fundraising events due to take place the following year.

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Balance at the beginning of the year	189,950	40,700	189,950	40,700
Amount released to income in the year	(189,950)	(40,700)	(189,950)	(40,700)
Amount deferred in the year	193,942	189,950	193,942	189,950
Balance at the end of the year	193,942	189,950	193,942	189,950

19: Pension scheme

Willow Foundation operates a group personal pension scheme compliant with auto-enrolment requirements, provided by Royal London Mutual Insurance Society Ltd. The charity contributes a maximum of 5% of the employee's gross salary to this scheme or to another defined contribution personal pension scheme of choice. The employee must at least match the employer contribution. The assets of the schemes are held separately from those of the charity in independently administered funds.

The pension cost of these schemes during the year was £116,278 (2018: £106,930). At 31 December 2019 £10,786 in contributions was outstanding (2018: £11,704).

20a: Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	-	66,016	-	66,016
Investments	1,231,859	1,022,601	-	2,254,460
Net current assets	(32,144)	-	174,733	142,589
Net assets at the end of the year	1,199,715	1,088,617	174,733	2,463,065

20b: Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	-	76,511	-	76,511
Investments	628,278	1,286,493	-	1,914,771
Net current assets	329,581	-	3,137	332,718
Net assets at the end of the year	957,859	1,363,004	3,137	2,324,000

21a: Movements in funds (current year)

	At the start of the year	Income & gains	Expenditure & losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Specific days	-	253,365	(253,365)	-	-
Specific illness	2,029	15,000	(16,250)	-	779
Specific areas	1,108	116,128	(77,100)	-	40,136
Specific areas and illness	-	6,000	(6,000)	-	-
Specific age and illness	-	4,000	(4,000)	-	-
Specific area and age	-	3,000	-	-	3,000
Specific age	-	163,318	(62,500)	-	100,818
Development of Willow website	-	30,000	-	-	30,000
Set up of Letchworth charity shop	-	5,000	(5,000)	-	-
Total restricted funds	3,137	595,811	(424,215)	-	174,733
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	76,511	-	-	(10,495)	66,016
Special Days Reserve	612,313	-	-	(40,604)	571,709
Retail Development Reserve	291,226	-	-	(291,226)	-
Investment Reserve	382,954	-	-	67,938	450,892
Total designated funds	1,363,004	-	-	(274,387)	1,088,617
General funds	957,859	3,141,325	(3,173,856)	274,387	1,199,715
Total unrestricted funds	2,320,863	3,141,325	(3,173,856)	-	2,288,332
Total funds	2,324,000	3,737,136	(3,598,071)	-	2,463,065

21b: Movements in funds (prior year)

	At the start of the year	Income & gains	Expenditure & losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Specific days	-	269,490	(269,490)	-	-
Specific illness	2,029	91,875	(91,875)	-	2,029
Specific areas	2,358	109,400	(110,650)	-	1,108
Specific areas and illness	-	8,625	(8,625)	-	-
Specific age and illness	-	32,000	(32,000)	-	-
Specific age, illness and type of activity	1,250	-	(1,250)	-	-
Specific area and age	-	12,000	(12,000)	-	-
Specific age	-	10,000	(10,000)	-	-
Total restricted funds	5,637	533,390	(535,890)	-	3,137
Unrestricted funds:					
Designated funds:					
Fixed Assets Reserve	132,000	-	-	(55,489)	76,511
Special Days Reserve	687,000	-	-	(74,687)	612,313
Retail Development Reserve	267,000	-	-	24,226	291,226
Investment Reserve	403,800	-	-	(20,846)	382,954
Total designated funds	1,489,800	-	-	(126,796)	1,363,004
General funds	1,118,612	3,466,904	(3,754,453)	126,796	957,859
Total unrestricted funds	2,608,412	3,466,904	(3,754,453)	-	2,320,863
Total funds	2,614,049	4,000,294	(4,290,343)	-	2,324,000

Purposes of designated funds

The Fixed Assets Reserve represents the net book value of the leasehold improvements and fixtures and fittings in the buildings occupied by the group and the furniture, software and equipment owned by the group. Funds tied up in these assets are not available for spending on special days.

The Applications In Progress Reserve represents the commitments made by the charity to fulfil applications in progress. Typically applications in progress are equivalent to approximately half a year's applications.

The Retail Development Reserve represented money set aside to invest in setting up charity shops through our subsidiary company Willow Retail Ltd as a means of raising funds for the charity. The activities of Willow Retail Ltd were transferred into the parent charity on 1 January 2019 including the carried forward loss within Willow Retail. Therefore the retail development reserve is no longer required at the end of 2019.

The Investment Reserve is an ongoing fund to protect the provision of special days from downward fluctuations in investment markets. Net investment gains are added to this fund in subsequent years subject to a maximum of 20% of the value of the investment portfolio.

22: Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2019	2018
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	139,065	(290,049)
Depreciation charges	51,783	58,097
(Gains)/losses on investments	(299,537)	140,597
Dividends, interest and rent from investments	(52,926)	(48,976)
(Profit)/loss on the disposal of fixed assets	-	-
(Increase)/decrease in stocks	(1,502)	(166)
(Increase)/decrease in debtors	358,839	(260,382)
Increase/(decrease) in creditors	(117,896)	173,507
Net cash provided by / (used in) operating activities	77,826	(227,372)

23: Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Vehicles		Property	
	2019	2018	2019	2018
	£	£	£	£
Less than one year	3,320	3,320	71,236	109,650
One to five years	2,462	5,782	62,486	72,737
	5,782	9,102	133,722	182,387

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Vehicles		Property	
	2019	2018	2019	2018
	£	£	£	£
Less than one year	3,320	3,320	71,236	69,344
One to five years	2,462	5,782	62,486	23,115
	5,782	9,102	133,722	92,459

24: Post balance sheet events

The investments valuation at 31 December 2019 was £2,254,460. Covid-19 had a significant impact on the valuation and resulted in the charity drawing down £170,000 of investments to fund short-term cash requirements. As at the end of October the valuation of investments was £2,091,083 which, after investment income and charges, is a loss on valuation of £15,770.

A loan of £450,000 has been secured from the charity's bankers, Natwest. This is expected to be drawn down toward the end of 2020 and is intended to be secured against £900,000 of investments. The arrangements are currently being finalised for completing the security documentation.

25: Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Governance

Legal Structure and purpose

Willow is a company limited by guarantee (registered number 5207070) and a registered charity in England and Wales (charity number 1106746) and Scotland (charity number SC045811).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 9 August 2004 and amended on 28 February 2013 and 12 January 2015. On 1 January 2005, the assets and activities of the Willow Foundation, a charity established in 1999 and constituted by trust deed, were transferred to this charity. The charity has two wholly-owned subsidiary trading companies.

The object of Willow is to support seriously ill 16 to 40 years old throughout the UK to get more out of life by providing unique and positive Special Days.

Charity Governance Code

The trustees are committed to good governance and follow the Charity Governance Code to develop and ensure Willow follows high standards of governance.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning

Subsidiary undertakings

Willow owns 100% of the shares in Willow Events Limited, a company established in 2005 (company no. 5352056) to undertake commercial activity of benefit to the charity. Willow Events Limited was dormant during 2019 and future profits would be donated to the charity.

Willow also owns 100% of the shares in Willow Retail Limited, a company

established in August 2014 (company no. 9182367) to develop and run a chain of charity shops in support of Willow. Willow Retail Limited was dormant during 2019.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. Trustees are the directors of the company and serve for renewable terms of three years.

The Board comprised eight trustees as at 31 December 2019. Trustees have a wide range of skills and experience appropriate to the governance of the activities of Willow.

The Board meets four times each year to regularly review and direct Willow's strategy, budget and performance. The day-to-day management of the charity is currently delegated by the Chairman to the Executive Team. Specific responsibilities are also delegated to various committees described below.

From time to time the Board reviews the skills of the Trustees against the skills required to direct the affairs of the charity. Where skill gaps are identified, succession and recruitment are plans are developed and implemented. The Board of Trustees appoints all new trustees and committee members through a variety of recruitment methods including formal search and word of mouth.

An induction programme is offered to all new trustees and further updates and training are provided as required. This includes meetings with the Founders of Willow Bob and Megs Wilson, the Chairman, members of the Executive Team and where possible a Special Day beneficiary.

This year we welcomed Glyn Taylor.

The Committees

All Willow Committees meet at least two times a year and minutes of their meetings are presented to the Board of Trustees by the Chair of each Committee.

The Finance & Audit Committee reviews the charity's annual financial statements, audit matters, investment performance and internal financial controls.

The Retail Board advises on the charity's shops and the Governance Committee advises on effective governance and Trustee Board membership.

Fundraising

Willow uses a diverse range of fundraising activities to raise vital funds towards the delivery of Special Days. Our Board of Trustees and Leadership Team are committed to building trust with our supporters.

We are registered with the Fundraising Regulator and signed up to the Fundraising Preference Service.

We endeavour to adhere to all codes and best practices set out by the codes and the General Data Protection Regulations.

Our quality assurance also includes regular reviews of complaints and other feedback, as well as regular audits and mystery shopping. In 2019 we recorded and responded to 4 complaints.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake and have a Safeguarding Children and Vulnerable Adults policy in place which has been approved by the Board of Trustees.

Going Concern Statement

The Trustees have reviewed the accounts as well as the charity activities, budgets and plans for 2020 and 2021, reserves positions up to the date of signing off these accounts and the group risk register.

The pandemic has caused material uncertainty to the business during 2020 but through the actions and analysis outlined on page 27 the trustees

have come to the determination that the going concern basis remains appropriate.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charity was put to the Board of Trustees on 27 November 2020.

Statement of responsibilities of the trustees

The trustees (who are also directors of Willow Foundation for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2019 was 8 (2018: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the Board of Trustees on 27 November 2020 and signed on its behalf by:



Richard King
Chairman

Charity Information

Life Presidents

Megs Wilson
Bob Wilson OBE

Ambassadors

Ossie Ardiles
Alfie Boe
Martin Chivers
Lee Dixon
Pat Jennings OBE KSG
Sam Kane
Natasha Kaplinsky OBE
Hardeep Singh Kohli
Gary Lewin
Linda Lusardi
Gary Mabbutt MBE
Simon McCoy
Lee Mears
Mary Nightingale
Ian Poulter
Jim Rosenthal
David Seaman MBE
Frankie Seaman (formerly Poultney)
Katie Swan
Theo Walcott
Leah Williamson
Ian Wright MBE

Trustees

Richard King – Chair
Nicholas Aldridge
Stewart Bennett
Elena Ciallie
Rachel Jones
Oliver Peterken – Vice Chair to 5 September 2019
Martin Ryan from 18 May 2020
Glyn Taylor from 11 April 2019
David Waddington CBE
John Wilson

Senior Management

Jonathan Aves – Chief Executive
Claire Kermode – Company Secretary, Finance, Resources and Retail Director
Dominic Heath – Special Days Director

Principal address and registered office

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Auditors

Sayer Vincent LLP, Invicta House, 108-114
Golden Lane, London EC1Y 0TL

Solicitors

Pellys Solicitors Ltd, 18 The Causeway,
Bishops Stortford CM23 2EJ

Principal banker

NatWest Bank, 2nd floor Argyll House,
246 Regent Street, London W1P 3PB

Investment managers

Quilter Cheviot Investment Management
One Kingsway, London WC2B 6AN

Acknowledgement and thanks

Every year thousands of people contribute in a wide variety of ways to help provide Special Days – giving their time, money, enthusiasm and creativity to support our mission either as individuals or through their businesses, schools, community groups and charitable trusts.

Without this support our work would not be possible and we are enormously grateful to all those who contributed during the year to make Special Days happen for over a thousand seriously ill people and for their families and friends.

Some of the many ways in which people support Willow are:

- organising fundraising events in their own communities
- getting sponsored to do sporting challenges
- selling raffle tickets
- making a regular commitment to monthly donations
- giving their time and skills as volunteers working at our offices and shops or at events
- serving as Ambassadors or Trustees
- donating goods to our charity shops and shopping in them
- buying our Christmas cards
- making donations in memory of loved ones or in celebration of happy events
- leaving Willow a legacy in their wills
- attending our fundraising events and bidding for auction items

Many businesses provide tremendous help in particular ways including:

- adopting Willow as their charity of the year

- developing cause-related marketing projects
- providing gifts in kind as a contribution to specific Special Days
- buying tables at our major events
- encouraging their staff to get involved with Willow

We also get great support from charitable trusts, some of which like to fund Special Days for people from a particular region or age group or people with a specific type of illness.

Of course there would be no Willow without our Founders and Life Presidents, Bob and Megs Wilson, who continue to inspire us and give their time to make a unique and hugely appreciated contribution to Willow's success.

Special Days make a massive difference to people who are living daily with the profound impact of life-threatening illnesses. Our deepest thanks go to all those who make this work possible.



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